

## Preparing for FAFSA Simplification September 2023 webinar transcript

Speaker 1 ([00:04](#)):

All right. Good morning everyone. Thank you so much for joining us today as we talk about FAFSA simplification on your campus. We know you have a lot going on, so we appreciate you taking time. Whether you've got travel, you're out on the road, maybe you're filling in for counselors or you've got folks coming to campus, maybe you're preparing to go to NACAC this week. Anyway, we know you have a lot going on, but we know this is an important topic and so we're glad that you plan to join us today. For those of you who may be watching a recording later, thank you as well. Whenever you're watching this for everyone, the content will be available after the session, we will send a recording to all registrants and included in that, we'll be a copy of the PowerPoint presentation that will be shared today. So you'll have access to all of this great information and we'll be able to answer any questions that you have about what we do at Ardeo and Alex DeLonis will be able to answer any questions that you may have about the FAFSA simplification.

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So with that, we'll go ahead and get started. Alex, I think you're driving so you can move us to the next slide. We'll do introductions. My name is Jared Christensen. I'm a WP of Client Service here at Ardeo Education Solutions. Have been in higher ed for about 20 years. Spent most of that time on a few different campuses in various enrollment leadership roles. Spent some time at another partner assisting a lot of other institutions around the country, and then have been at Ardeo here in the last year and a half helping campuses use our loan repayment assistance program tool. One of the campuses that I get to work with is Wabash College in Indiana. That's where Alex is from. Alex, I'll let you introduce yourself before we move on.

Speaker 2 ([01:33](#)):

Yeah, absolutely. Thanks Jared. Alex DeLonis here, associate Dean for Enrollment Management and Director of Financial aid at Wabash College in Crawfordsville, Indiana. We're about an hour-ish west of Indianapolis, a small liberal arts school, all men's liberal arts school of one of three remaining in the country. So before Wabash, I spent the majority of my career at all community colleges, including Ivy Tech Community College in downtown Indianapolis. I also participate, and I'll talk a little bit more about this later, but I participate on NASFAA's FAFSA simplification implementation working group. I focused really hard to get that one right and I'll talk about what that entails. But so excited to talk to you all today about these upcoming FAFSA changes.

Speaker 1 ([02:29](#)):

Yes, thank you. Before we talk about the FAFSA changes, we would like to share just very briefly about who we are and what we do at Ardeo, just so that you know that context. So our goal is to help increase access to higher education in the way that we do that is by removing the fear of student debt. I know so many of you're working with students who either say outright or you just assume that they are concerned about the loans that they're going to have to take out. There have been a lot of questions and confusion over the last couple of years about that, but we've helped a lot of students over the years. For 15 years we've been offering loan repayment assistance program to students. We've helped over 200 colleges and universities during that time have helped over 30,000 students repay their loans and some are all depending on the student.

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And so let me just share very briefly about how that works so that you can know a little bit more about us before we learn about the FAFSA. So what is an LRAP or what is LRAP as we hear sometimes. An LRAP

is a loan repayment assistance program. It's an enrollment tool. It's a tool in your toolkit. It's not a silver bullet, it's not a catchall by any means, but it is a tool that can help impact enrollment and persistence decisions. And the promise that we make is fairly simple. If a student's income after graduation is modest, the LRAP will help them repay their loans, including federal student loans, parent plus loans, and private alternative loans that are certified by your financial aid office. So you may have students, again who are concerned about borrowing, they're afraid they may not make enough money after they graduate to pay back those loans.

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Their parents may be concerned about that, but the LRAP provides a safety net for them to help repay those loans. If they fall beneath that particular income threshold, they just have to graduate from your institution. They have to start working and they have to start repaying their loans. So it's no cost to them, but pretty easy criteria we think to meet. It's things that they want to do, things that you want them to do and things that their parents want them to do as well. So we'll go into a little bit more detail here on this next slide. So how does it work? You get to choose who is offered the LRAP. So it might be your whole incoming class, which some campuses do. It might be a small number of them in the financial aid appeals process. It's probably something in between.

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Maybe there's a particular subpopulation that you want to try to move the needle on, but you choose the students that you offer the LRAP to, you point them toward a landing page that we have on our end. Again, there's no cost to students, but we like to see that they've signed up or they've accepted their LRAP offer so that we can then pass information back to you. We do a lot of communication on your behalf about the LRAP so that they know more about it. They enroll at your institution. We hope that they persist and graduate. We do all the heavy lifting administratively once they're enrolled. The beauty in this from your standpoint is that you only pay for those students who enroll and borrow. So you could offer it up to a thousand students and a hundred of them enroll and 50 of them borrow.

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You only pay for the 50 that borrow. So it's like insurance in that way. You're essentially paying the premium, but then we're the ones who pay out. If students end up needing that benefit when they graduate and then they begin their careers, hopefully they've gone to the college that they choose and they've felt the freedom to pursue the major that they want and the career path that they want all without the fear of student loan debt weighing them down. Next slide. We just got some examples of ways in which this can be used. Again, I talked about a few different categories. It's totally up to you. It's not prescribed in any way, but we do see it fall into a few different categories, market to all. We've got some campuses that are giving this to all incoming students. It's a way to differentiate themselves in their marketplace.

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Many campuses, including Wabash, which Alex will talk about briefly operate in a targeted way. So they identify a subpopulation that they want to try to move the needle on either to get more apps or completed apps or yield. And then the last group would be what we call selective, where again, maybe it's in the financial aid appeals process or some other thing that comes out in a conversation where from the student that this would really benefit them. It would help alleviate concerns that they have about borrowing. Then we also have sometimes what we call the stale funnel approach where it's mid to late April. You've got a lot of admits that haven't done anything for a long time. It's kind of a hail Mary to see if you can move the needle on them. And we have campuses every year that are able to resurrect some students that had been essentially dead in their funnel and they're able to pick up some additional

enrollments throughout the summer because of that. So I will let Alex talk a little bit about the way that they use LRAPs at Wabash, and then the remainder of our time will be spent focusing on FAFSA simplification. So Alex, take it away.

Speaker 2 ([06:41](#)):

Thank you, Jared. So yeah, we've partnered with Ardeo almost since my entire time being at Wabash. I think during my first year we started partnering with Ardeo and in that first year we really tested out a few student populations. But I think these last couple years we've definitely found I think the strategy that works best for us in building our early decision population. And we're excited to say over the last two years we hit record numbers with that population two years in a row. So we took a targeted approach and we offered LRAP to any student who applied and deposited as an early decision student. So families have responded really well to it, and I think the more comfortable our enrollment team, our admissions and financial aid staff have gotten with it, it's been kind of an easier conversation to have with families and they seem to appreciate the fact that this is something that does cost money, but Wabash has their back in paying for this and if for some reason we don't exactly deliver on the outcomes maybe with their salary or they choose to go into a field that they know isn't going to yield the kind of salary that our outcomes kind of show that this product would be there to kind of back them up.

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So it's been very useful for us and especially leading into a year where early decision is going to be extremely interesting saying is that there won't be a FAFSA available during most of that season. We think using LRAP will definitely be to our advantage there. So that's kind of a perfect segue into talking about FAFSA simplification and all that it entails. I know that there is a variety of experiences on this call. There may be people who are just hearing some of these updates for the first time. There may be folks who have listened to every FAFSA webinar to this point and feel like they're kind of up to date on everything and just maybe want to hear a little bit about how another school is handling things. So that being said, I'm going to try to cover a little bit of everything, but if you were at the NASFAA conference in San Diego, you know that an hour just isn't going to be long enough to go into detail on everything.

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I believe there was about seven sessions or so at the NASFAA conference all on FAFSA simplification that we're all different. And I'll talk about different resources and different things that you can look into after this presentation. So the beginning might be a review for some, but I promise we'll get into some fun stuff later. And also this is one of the biggest changes that aid administrators many will see hopefully in their careers in financial aid. So if you're not an aid administrator on this call within all HR rules and regulations, just give your eight officers a hug. They're going to need it, they're going to need it, and we have a long way to go. It's been a bumpy ride to this point, but there's still a long way to go. So we're going to go over the fastest simplification changes. We're going to touch lightly on 23-24.

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We're going to spend most of our time on 24- 25, the upcoming changes. And then I'm going to talk through some strategies in some discussion on what to do about the delayed FAFSA, what you can be doing to take action on your campus and share some resources and hopefully leave as much time as I can for q and a. But please, if we don't have time for all the questions, which I highly doubt we will, I will happily get the questions from Jared and company and make sure that I follow up with folks afterwards. So please submit your questions and if we can't get to them now, we will make sure that we do get to them soon after the webinar. So how did we get here? I like to show this to my boss and senior administration to show like, Hey, I'm not making all of this up.

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This isn't something that Alex just wanted to do to make everyone's life a little more interesting. So I'm not going to dig into these in detail, but if you wanted to go through the thousands of pages of the law that kind of led to where we are today, feel free. Actually NASFAA does a really good breakdown of each one, but there are things, and I'll point them out, there are things along the way where the reason we're doing what we're doing is because of the law and there's really not a ton of wiggle room to how it's done. And I'll point those out as we go. I have had the pleasure of serving on NASFAA's FAFSA simplification implementation working group since April, 2021. I literally had half as many children back then. That's how long I've been serving on this committee just because the deadline or the launch date of these changes was pushed out a year.

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So everything was supposed to happen in 23-24, but they pushed the major changes out to 24-25, which extended the work of this group. So I've had so much fun. It's a NASFA committee that we collaborate with NASPA staff and we're able to give feedback that gets funneled directly to the Department of Ed and not that they listen to any of it, but we do kind of back NASPA up to give them an aid administrator outlook on the changes and suggestions as things are going through. So yeah, that's been fun and hopefully the benefits come through to the information I'm sharing. So I will start with kind a slide that I stole directly from ed. So here is a beautiful breakdown of when the FAFSA simplification Act and other laws went into place and when the changes and are supposed to take place in each award year.

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You'll see a couple of the years are actually already impacted with 21, 22, 22, 23. Now we're leading into 2324 with the list of things there and then what's going into 24-25 and it's full steam ahead. I know there was a lot of doubts in the department who would ever doubt the department, but there were doubts that the department could actually pull this off with all of the changes for 24-25, but it seems like that's the direction we're heading in and it would take an act of Congress in order for these FAFSA changes not to happen in 24-25. So really it would be kind of catastrophic at this point for these not to happen toward the end of the year here. And I put this in here, another stolen slide from ed, but I put this in here actually to give them a shout out just because they've kind of said along the way, these are the dates that supposed to get certain things.

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And to this point, for the most part, they've been pretty on target. You might've seen the second draft of the FAFSA is out for public comment for the next 30 days. I think it came out earlier, I was about to say earlier this week, but that was yesterday. So maybe you did drop yesterday or late last week. But yeah, that's out for public comment. We've already seen the first draft FAFSA and we of course tore that one apart and a lot of comments were submitted on that. We're still going through the most recent, the second draft of the FAFSA to see and there's definitely still some improvements that can happen. But conversations that I've been a part of is there's not a ton that other than maybe some language and some cosmetic updates here and there. The department is really pushing most significant changes at this point to the next year to 25-26. A lot of the answers we've been getting is we'll take that into consideration for the next year and some of the things we're just going to have to live with for a year.

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Alright, so like I said, I'll talk briefly about 23-24. I presented this slide at another session because one of the biggest changes for 2324, we thought just some language things like not singing room and board, but saying housing and food and I thought the image was pretty funny. That group didn't think it was funny, but I'm still going to show it because I personally think it's funny. So I'm not going to go over this

in detail. I did put the dear colleague letter that really lines this out, gen 2215, but big changes to cost of attendance and posting things on your website and language updates, professional judgment with the difference between a special circumstance and an unusual circumstance. Pell L E U restoration Pell for incarcerated students, which isn't something that we do at my institution, but these are some big changes that happen for 23-24.

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But for the sake of this webinar, I'm not going to spend a ton of time here, but if you do have any questions about these items, feel free to drop 'em in and I'm happy to answer them. So moving right along to 24-25. One thing that I like to start with here, we'll start talking about 24-25, is the new acronyms and the new language we all have to get used to, right? So out with EFC and with SAI, the student aid index, no more IRS data retrieval, we're now the FADDX or we've even shortened that acronym to DDX in the financial aid world. One of the things that's of the most significant in getting the FAFSA launched and the delay of it is they need a whole new central processing system. That was the old one CPS, a whole new central processing system just to be able to process these FAFSA and that's now F P ss the FAFSA processing system instead of C P S E F A is no longer EFA, it's now OFA other financial assistance.

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Then building off of the no more IRS data retrieval, the FTI or federal taxpayer information is a huge shift in the way that we'll be doing things and kind of really at the core of what's driving FAFSA simplification, and I'll elaborate on that in a little bit. Family size is another one saying family size instead of household size. So I know for me 15 years saying household size, trying to say family size now has been rough. It's still like saying award letter over and over again instead of offer letter. I don't know if I'll ever be able to break away from that. So let's first talk about the user experience and actually completing the FAFSA and then we'll roll into the formula changes themselves. So the FSS AID and it's my understanding we actually won't even be saying FSS AID anymore.

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We will be saying creating your or logging into your F S A account and getting your username and password to log into your F S A account. But they have not actually announced that yet. But yeah, they're moving toward phasing out F S A I D. But the big change there, everyone will need an F S S A I D in order to complete a FAFSA online. It will be required for most people. No big change there. However, one concern for me is that it was marketed as a benefit or an improvement, but folks without social security numbers will also need an F S A ID and they will be able to complete the FAFSA online and sign it, which they have not in the past. So that in itself that thought that idea is good. However, it's the how. We still barely know the how and what we know to this point, to me is extremely concerning.

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So what we learned at the NASFA conference in San Diego with the department there is that the department plans to use one of the credit bureaus to do identity verification for these folks in order to create their FSA id. That to me in itself is problematic and I believe it was TransUnion was the one that was thrown out there. So we still know that's about as much as we know though we've asked the department numerous times and still have not gotten answers on exactly how this is going to work. I'll reiterate it later, but my concern, my fear is that many of these students who have parents without social security numbers will be driven to do the paper FAFSA, which will only kind of delay their process of completing the FAFSA. We know it takes significantly longer to process a paper FAFSA than it does an electronic FAFSA.

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So my hope is that when we keep talking about FAFSA simplification, FAFSA simplification, that this is a group that the process does not get more simple for. So we're glued to that. We have let Ed know our concerns, but I know that they feel like they're put between a rock and a hard place of following the law and creating a process that follows the law for that. But hopefully my concerns are irrelevant and it's a seamless process and there's no issues there. But the fact that we still don't have any details there is what just continues to make me uncomfortable. Role-based completion. So a student and the parent will not have access to each other's sections. If the student and the spouse did not file taxes jointly, the spouse will have to log in. So if there's separate tax return situations, this is really the first time where either the student and the spouse might have to go in and give consent in order to actually move forward and complete the FAFSA.

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Or maybe all three parents in kind of a student and parents who filed separately might have to all go in and give consent to do the FAFSA and submit it. So everyone has a role and it's kicked off by the student and based on the student's answers, we'll kind of decide who gets invited to complete their part. Speaking of consent, this is the major key right here. So this is the part where if someone does not provide consent, and let me provide a little more information on this, the I R S data retrieval is going away. The I R S data retrieval was like me going into the IRS's system and me putting my information into the FAFSA with F T I. That process has changed. This is now the Department of Education going into the IRS's system in them there being a direct share between the two agencies.

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So putting that federal information into the FAFSA, and in order to do that, every single contributor on the FAFSA has to provide consent. If any user does not provide consent, an SS A I will not be calculated and the student will be ineligible for aid. Everyone must provide consent in order for the student to be eligible. You can revoke consent at any time, but it's almost like you can't put toothpaste back in the tube kind of a thing. Once the consent is there and the school has the information, it can be revoked. It won't impact current aid or anything like that. So that was a concern that we had early on that the department did clarify. And since this is FTI and FTI has its own set of rules and laws that must be followed there. Aid administrators are limited, a little bit more limited now with F T I than they would have been back when it was just the IRS data retrieval information.

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So number in college. So this dips into kind of the formula change, but SS a I will no longer be divided by the number in college. That's the way the old E F C formula worked. So if you did the whole FAFSA and at the end the E F C was supposed to be 30,000, but there's two in college now the EFC is at 15,000. The SS A I formula does not work like that. The only strange thing is that the question still on the FAFSA, so folks will still be asked the question but it will have no impact on the formula. We'll talk a little bit about professional judgment and some things that can be done there. One way not to do professional judgment would be to go in and manipulate that number because if you change the household, the number in college from two to three on the FAFSA, you can do that, but it's not going to have any impact on the formula.

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But I'll give some insights on maybe things that you could do there to impact the formula. So the change from household size to family size, and it's a change of how we get the number. So when the family does their taxes, so in your traditional dependent student situation, they go in, they give consent, F T I is brought in the family size now or the old number in the household will be based on their tax information and who is on the tax return. The only problem there is we're still using prior tax information. So



household can change or family size can change from year to year within a two year span, right? So this is maybe one hurdle or confusing part that families might not have to navigate with F T I. And this was the same with the I R S data retrieval. They will not display the information that was transferred over so they will not display the information that was transferred over, but they will give families the opportunity to update their family size.

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But the question will be something like, has your family size changed since you did X tax return? But they won't show them what the family size is. So they might say yes and put in the same number. They might say yes and completely jack something up. I don't know. We don't know exactly how that's going to look and how people will respond to being asked that question. But that was the department's way to give the family an opportunity while they were completing the FAFSA to update the family size to its current setting versus what was used two years ago on an old tax return. So the number of colleges listed on the FAFSA is doubling from 10 to 20. So shout out to any parent who is helping someone, helping a kid find the right school and there's genuinely 20 schools that they're interested in that makes my stomach hurt a little bit.

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However, I know that I worked with families who wish they could put more than 10 for sure. So I don't know what the right number is, but they have expanded that to 20 colleges and choosing the right parent will definitely be something that I think we might have issues with. I think the department is doing some great things with the introduction of their parent wizard that will ask the student specific questions to figure out who is the right parent to be on the FAFSA. I know in our current setting, especially in divorced and remarried parent situations, families get confused all the time and put different parents and we have to correct that. So I do like the questions that the department is presenting in things that they're throwing out there to try to make sure that the right contributor gets put on the FAFSA. The big change here is it used to who you lived with in the most recent past year.

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Now it's who provided the majority of the student's support, which could be different from who the student lived with. So it's up to the student to navigate that. But with conflicting information and who knows how verification is going to look, that's something that I'm sure aid administrators will have to help clean up later on down later on in the process. In the situation, and I know we get this all the time when someone has switched the parent on their FAFSA or students have questions, we'll say, oh well who provide the most support? And they'll say 50 50 to the penny, 50 50 half and half if that is what they're saying. Which again in my mind can really be true, but we get a lot of families who say it. If that's the case, then they're instructed even on the FAFSA when they go through the parent wizard, they're instructed to list the parent who earns the higher income so that they have a built-in tiebreaker there that is not there today.

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So hopefully I know we get that all the time in my office. So that's something that now we can lean on a little tool that we didn't have before. So that's a little bit about the experience or some of the, I thought, key things that when you're thinking FAFSA simplification or as the feds are now phrasing it better, FAFSA, better future, those are some highlights of what is actually changing when the family will complete the FAFSA. Now we'll dig into the formula itself. So I already mentioned that the EFC is now going to be the SS A i, the student aid index and it makes sense to me. Expected family contribution number, the language I know I have for years in my career of someone would see their EFC and they'll say, oh, this is the amount I have to contribute.

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No, the EFC has always been an index that we used to award aid and now we're just going to call it an index. So that makes sense to me. The SAI can now be as low as negative 1500, whereas the EFC, the lowest it can go is zero. What can you do with a negative 1500 SAI? The answer to that, nothing in the process and the need calculation, we've been instructed to use it as a zero. The department has said that institutions can maybe use a negative SAI to award additional scholarships or things like that. I know we haven't decided here at Wabash if we're going to put any extra emphasis on the negative on a negative SAI, but either way you can't, it doesn't add 1500 to the cost of attendance. You still can't exceed the cost of attendance.

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You're supposed to just treat it as a zero for that purpose. So to me, I don't know if there's a great benefit to calling it a negative 1500 rather than just keeping it a zero. If you have something cool that your school is doing, if you wanted to drop that in the comments or something, I'd definitely be interested in hearing that. So it's a whole process now of figuring out how much Pell a student is going to be eligible for when they complete the FAFSA. It used to be you get the EFC, you've got your Pell chart, you look on the chart and you scale it. Your EFC is a 1050 and here's the corresponding Pell amount. Those days are over first. It's almost I think a three step process. The first step in the process is figuring out if the student is eligible for Max Pell.

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There's a few things that'll happen to help determine that, that I'll go over on the next slide. But the first part is the student eligible for max pe. If the answer is no, then we'll take whatever max Pell is minus the S A I and that's your PE amount still. If the student may doesn't qualify that way, then it's still possible for the student to qualify for minimum Pell based on and minimum Pell is 10% of maximum Pell. So that is all based on the poverty charts and I'll go over that here on the next slide. So Max Pell eligibility right off the bat, the easy thing if they didn't file a tax return a family would be if no one filed a tax return independent or dependent situation, the family is eligible for Max Pell. Some of these other situations would qualify for Max Pell as well, children of deceased veterans and public safety officers, and then low income students.

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And this is now defined by the poverty level, a certain percentage of the poverty level and this is how maximum Pell and minimum Pell would be calculated or would be determined I should say for a family. So NASPA I know put together a nice chart and I know some schools have gone as far as to post those poverty charts right on their website. I think as far as transparency goes, if you can talk to a family early on and become aware of what their income situation is, you can easily check that chart and determine if they're going to be eligible for Pell or not, just based on the poverty levels. So I love that. I love being able to determine before a FAFSA is available or early on if you're talking to an underclassman or something like that, being able to figure out insights into their aid situation before they even file the form.

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So this is another thing that can help you do that and kind of breathe life into those last couple slides. So this is a flow chart for all my flow chart friends out there and if you do follow it is actually extremely helpful. And if you know some things about the family kind of navigating down one path or the other to determine if they're going to be eligible for max PE minimum Pell calculated Pell or no Pell at all, that kind of thing. So this is on NASPA's website and it does tickle me a little bit that it's a fun looking flow chart to talk about FAFSA simplification, but it is, I do think it's helpful and I have used it in the past. So



this is something that I like to show. I won't go a ton into the SAI modeling that we've done here at Wabash, but in general it lines up with what kind of the projected changes were across the board nationally in general, and this is very positive and why I wouldn't want to see a delay past 24- 25.

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Not that it's going to happen, but with 24-25 and the formula changes, we will see more Pell eligible families and that's awesome. So on the right you can kind of see the blue and the gold is increased in new Pell Awards. On the flip side of that, the pink over to the left, yes you will see some folks that have a reduced Pell Award or lose Pell altogether, but I know when we did our S A I modeling it was yeah, we're talking about a tiny, tiny handful of students who might lose Pell versus a significant number of students who will gain. So I think the transition will be interesting, but I think the benefits are more than worth it.

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So a few other formula changes, something to keep an eye on. We talked about, so there is a change in child support received not being reported as income anymore and being reported as assets. We talked a little bit already about contributors and who the student is supposed put on the FAFSA now in that situation, in a divorced or separated household situation, small business and family farm exclusions, it used to be that 2023 for in earlier that there were some exclusions that you didn't have to put the net worth of your small business or family farm That has been put back in there. So folks will have to report that and that's just a big unknown. I've seen schools go out with kind of questionnaires to try to help figure this out or try to warn folks about maybe the concern there. If you're a CSS profile school, maybe you've been collecting that information and you can run an analysis off of that.

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I know for us, we're not a profile school, so I really don't have anything from the small business end or the family farm end to go back and try to project that. I think we'll learn a lot after year one. We also have to assume the family answered the question. So there's a lot of unknowns there, but that is a big change that and something that's hard to model out to see what the impact is going to be. So we talked about the NO SAI split for number in college. I know we are still going to take it into consideration. I think it's one of the biggest drivers in changes from SAI from EFC. So I know every single student who lost Pell for us when we ran our model had multiple in college and we even looked, we have one third of our students every year who report that they have multiple in college.

[\(40:30\)](#):

So this is going to be a big shakeup, especially if you're a smaller school like us who gives away a lot of institutional dollars. This definitely changed the way we're going to package students for sure. All the modeling, their eligibility went all over the place and it was 90 some percent of the time it was related to the number in college shift. So the last thing on here is that students, while there's really no simplified needs test, there will be no asset questions if someone marked that they received one of the means tested benefits or meet one of the other kind of drivers down there for income. Okay, so not sure why set this up this way. However, throw everything up here. So these are kind of a running list of things that I've been keeping track of that are either issues that we're waiting to hear from or just kind of updates we've been waiting for, guidance we've been looking for.

[\(41:35\)](#):

I know the removal of the housing question on the FAFSA and this is hitting us right now. That's more of a 23- 24 thing. Asking if a student lives on campus off campus or with parents. I know many schools use that to decide what budget a student was going to get. So schools have had to change how they were

going to collect that information. I've heard of schools adding it to the application for admission. I've heard of schools kind of carrying it over from last year. Whatever you do, you cannot put a barrier between the student and receiving their federal aid. So if you do ask additional questions or if you do put out another form, you cannot hold the student's disbursement until they complete it. You have to figure out a different way to get that information. So another issue was the removal of the ability for a graduate student to voluntarily enter their parents' income on the FAFSA.

[\(42:41\)](#):

This is not something that I've ever worked at a school who has done this, but this is for schools who give health profession loans and hopefully there's something or a way for those schools to still get the information they're looking for in order to kind of get that information. But when, let's go back to that, when early slides on those law changes, the ED says based on the law, this is not something that we can do anymore. So that we're kind of forced to look a different path to get that information. We talked about family farms and small businesses, no proration for an SAI less than nine months of enrollment. This really we'll impact, I know for us summer enrollment in subsidized loan eligibility because right now if you've got someone enrolled less than nine months, you can actually take a four month EFC or something like that, make the EFC smaller, which should leave more need for subsidized loans and other aid.

[\(43:48\)](#):

Now per the law, we cannot prorate the SAI for less than nine months enrollment. So the larger SAI is always going to be there. And I know when we did an analysis here as a part of the working group, every single student lost subsidized loan eligibility. So that is definitely a concern and hopefully something that we can do something about in the future. There's going to be folks that might not be able to do the DDX and ED has put some solutions in there for those families. But my concern, does that just mean that there's going to be more verification burden for those populations? Some of you might be working through this now with federal work study earnings and reporting to cod, there was a change on the FAFSA where the old FAFSA used to say, how much did the student earn in need-based employment?

[\(44:45\)](#):

That has now been changed to how much did the student aid earned in federal work study only. So that's the only form of need-based employment that matters. However, they can't ask the question based on the law. That's not a question that was included. So in order to give the families that benefit or that kind of benefit to the formula to offset their income aid offices now have to report to the Department of Ed through cod, how federal work study information and they will actually then match that up somehow with student information. And when the student does the FAFSA, it will be taken into consideration in the formula. Then I don't know of a time where ED has done this in any other situation, so I'm very interested in seeing how it turns out, but there are, I could probably do a whole other session on all the issues that there have been so far with getting that to work.

[\(45:52\)](#):

So more administrative burden for us for sure, but definitely a benefit for the student in the formula to make sure that that gets in there. So we talked about the FAFSA aid issue and professional judgment related to number in college. I will throw out there that the department didn't really want to go into too much detail about how to do a PJ for number in college. Ed cannot regulate how we do that. So a couple of ideas that were thrown around at the NASFA conference were, I know we do PJs for private K 12 expenses. So one thing that you could do is something very similar. Find out how much the family paid to the sibling school in that last calendar year or academic year or find out even that school's cost of

attendance and do a calculation and take that off of the parents' AGI recalculate the taxes paid, find out the new SAI in order to utilize that pj.

[\(47:08\)](#):

So they've made it clear that's something we can definitely do. But I know some folks are still a little bit uneasy because it's new. But the one thing you don't want is to ask the department to regulate it or to tell you how to do it. I'd rather have the flexibility in how to do my own PJ personally. So verification for 24, 25, we don't know a ton there. We're waiting for more information. The training calendar has been great that F S A has put out and I provide a link on a later slide where you can access those trainings and hopefully your state regional and of course NASFAA associations have things that they'll be able to support you there too. I know we have folks from all over the country on this webinar. I can only speak from an Indiana point of view here is that our state has absolutely no idea what the impact is going to be on state grants and we're still, we're hounding the feds, we're hounding the state of Indiana too to tell us if anything's going to change there. We actually have a very robust program here in Indiana where at my institution a student could get around a \$13,000 grant per year from the state of Indiana. So we're definitely waiting on the edge of our seats to figure out exactly what they're going to do there because it's definitely one of the biggest supporters for many of our students here.

[\(48:47\)](#):

So yeah, just a few things. A few things to keep on the radar. A couple of recent updates. So question we were asking about the parent of record when one parent pays child support to the other. So it all comes down to which parent provides the majority of the student's financial support. But what happens if that support came from one parent and it was handed to the other which parent goes on there? So and this was something last week or the week before the department finally came out and said if the student or if the parent receiving the child support, if the money they're receiving goes toward more than 50% of the student support, then the parent paying the child support is the parent of record. So they're the ones that you are supposed to list on the FAFSA. If that support is not more than 50%, then yeah you would still have to break that down and figure out most likely still the custodial parent, the one that students living with you would still list.

[\(50:02\)](#):

I think it's still going to be rare. I know for my school child support is usually a few thousand dollars a year for most families. So I think it would be rare that the child support being paid is the majority of a student's support. But I'm sure it will come up just hopefully rarely. In one other thing, we were told by the department that they will not be creating a comment code crosswalk. All the comment codes are being revamped and they will look nothing like the old comment codes and they have already when asked come out and said, we're not even going to give you a crosswalk of what was the old comment code versus the new comment code. So NASFAA is actually going to create that and hopefully within the next couple of months we'll see that product. Alright, I'm going to zoom through these last couple things so we know the FAFSA's delayed things to consider if you have not already.

[\(51:00\)](#):

Is your state going to move their filing deadline? I know for the state of Indiana, ours has always been April 15th, so I think we're safe there, but I know some are early in the year, January, February, so we don't know when the FAFSA is going to be released. We just know it's going to be sometime in December. They legally, ed legally has to have it out by January 1st, but they have said December. So I would definitely be planning a New Year's eve bash when the FAFSA gets released at 11:59 PM on December 31st would be my gut. What my gut is telling me there. But if you send out aid offers traditionally earlier than that, what are you going to do? That's the question. I know we're still going to

do it. We decided to use an institutional application here at Wabash where we'll help determine things and give students an early estimate.

[\(51:57\)](#):

That obviously is not technically an aid offer because we don't have FAFSA information, but we feel like it'll be able to be as accurate as possible. I've heard it from a lot of schools that are going to temporarily switch to the CSS profile as well until that FAFSA releases. So lots of options out there, but we wanted to still get something out on top of the net price calculator, something out earlier than January one. But look through these other things, communications your website, your forms systems, my goodness systems, that's going to be a whole another thing there. Set up testing, just making sure between ED and your FAM system that that's going to be ready to go. How are things going to impact your current students and kind of the outreach there. I'll talk a little bit about that. I right over here. So use the SAI modeling tool to figure out the impact.

[\(53:00\)](#):

If you have not already, if you're a NASFAA member, it is available to you. I think they just released version 8.0 today. If you are a school who's maybe less resourced, NASFAA does have a process you can go through to see if you can get some support there to be able to use the SAI modeling tool. It's one thing to have access to it, but maybe you don't have an IR department, maybe you don't have folks on campus that can use it. You can go through NASFAA to see if you qualify as a school that can get some assistance with that. I know I've had great success using the tool on my campus and talking to the board of trustees and advising leadership. So there's still definitely time to get that done. We talked a little bit about packaging without a FAFSA. Talk to your campus partners, talk to students, talk to parents.

[\(53:54\)](#):

We are going to adjust for number in college in kind of an institutional methodology format. Some schools are not, but that's something to take into consideration if you're going to or not. We plan to. I know any student who loses Pell or loses state, and I can kind of draw a line directly toward maybe the difference of number in college or something like that. You can always do outright reach for professional judgment to encourage folks to go through the process. They don't have to, but you can at least throw it out there. But bottom line for our students, and this is something that the S A I modeling tool helped drive for us, we still plan on, we still plan on making up lost Pell and state and institutional aid. If it's a change that was directly impacted by the FAFSA changes, professional development, financial aid administrators need to be glued to everything Right now.

[\(54:56\)](#):

I've been able to use this to get a larger professional development budget and of course make sure that offices are fully staffed and I'll give you a tool to do that. So here's something that I stole from University of North Carolina, Chapel Hill. Shout out to them. I've seen a lot of different versions of it, but just something that we put out there for our current students and anyone who wants more information, how we're doing things and just the changes in general. We've been able to have this resource available. It will be in the slides, and this has been kind of a response from our students. It's kind of FAFSA changes, spell promise and uncertainty. It sounds like it's kind of gloomy kind of movie or something like that. But the students are starting to get it and the message is getting out there. So with the interviews and being in our paper and things like that.

[\(55:51\)](#):

So that's good news. And here's some resources. I'll leave those in the slides for you all. And I wanted to throw this out there because this was overlooked by many, but this was a letter that was supposed to be

sent to your president, chancellor, c e o, and I pulled out my favorite bullet point that insufficient financial resources for items like staffing, software updates, training, yada yada, yada, you'll get in trouble. So I put a link to it down there and it's a letter that you can get to your president if they have not already seen it, to help get the resources you need for some of the biggest changes that we're ever going to see in the eighth profession. So just everyone stick together. I like to throw this out there. We think we have it, we think we have it, and then we get another update, another change, and then we have to continue to pivot after that punch in the mouth.

[\(56:48\)](#):

So we have many more punches to go, but I think if we stick together, we lean on each other. I think we'll definitely we'll get through it. We always do. So thank you. My contact information there. I'll throw this up here and I knew it was a lot of content. I tried my best to get through it as quickly as I could. So sorry for the fast talking. We have a couple minutes here, Jared, I don't know if there was a kind of a question, a main question that came up or not that I can help tackle.

Speaker 1 [\(57:21\)](#):

Yeah, no, this is good. A lot of questions around the number in family. I know you addressed that. A lot of questions coming in. You mentioned that Wabash was maybe going to try to adjust for students that had multiple in college to try to offset the fact that it wasn't going to benefit them necessarily. Will Wabash be verifying enrollment for students then who have siblings in other college or how do you plan to go about that?

Speaker 2 [\(57:43\)](#):

No, you can do that now. We never have, we'll get the form in the mail for other schools, so we're not going to verify. We'll do it like your normal household form, but kind of self-certifying. But we're not going to go as far as to ask the other school to verify that information. We just plan to come up with an institutional SS a I that will reflect that they have more than one in college and we will just like we do now, we will trust that the information that they put on one of our forms is accurate and we'll go from there.

Speaker 1 [\(58:24\)](#):

Got it, got it. Okay. Maybe one more. Any discussion that you've heard around athletics and how schools are kind of navigating this, knowing that that can be so competitive from a financial aid standpoint?

Speaker 2 [\(58:34\)](#):

Oh goodness. So we're division three here. So no athletic aid, no aid for athletics at all. So I know it's going to be different based on what division, whether you're in a i a ncaa, different things there. I know that was one of the drivers for us to still come out with something before January one. So we know that other schools that have athletic aid to leverage are still going to do it before January one. So we wanted to give our best shot to come out as early as possible to be able to stay in the conversation until we can get a fafsa, even at those other schools that offer athletic aid. I would really hope the families wait to do a FAFSA to really make any financial decisions there.

Speaker 1 [\(59:25\)](#):

Yep, absolutely. Well, I think that's it. There were some other questions that came in, but just so everyone knows, again, you'll get a copy of the recording afterward. You'll have a copy of all these slides.

## Preparing for FAFSA Simplification September 2023 webinar transcript

You'll have Alex's contact information and ours as well. I was taking copious notes as the data of a high school senior. I know this is looming for me as well as a parent, so very helpful. Please let us know if you have questions. We look forward to hearing from you either about FAFSA questions or about how L reps might be able to be used on your campus. Good luck in all of your efforts this fall and we'll talk to you again soon. Thanks so much. Bye.

Speaker 2 ([59:56](#)):

Thanks.

Speaker 1 ([59:58](#)):

Thanks Alex. Yep.