

SEPTEMBER 7, 2023

Preparing for the Better FAFSA Form: What high school counselors and educators need to know

The Better FAFSA Form Delay

FAFSA will be released sometime in December Exact date unknown

Plan is to revert to October 1 release in future years



Out with the Old- In with the New

Old

- EFC
- Household Size
- Parent, Student, Spouse
- Student Aid Report (SAR)
- Dependency Status
- 10 Colleges Listed

New

- SAI
- Family Size
- Contributors
- FAFSA Submission Summary
- Student Personal Circumstances
- 20 College Listed

Understanding the FAFSA[®] Form

1 of 4

What is the FAFSA[®] form?

Use the *Free Application for Federal Student Aid* (FAFSA[®]) form to apply for grants, scholarships, work-study funds, and loans for college or graduate school.



Previous

Continue

Intro Video

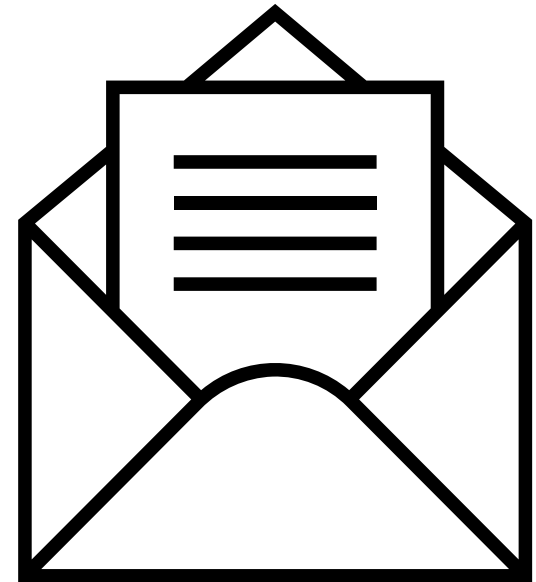
What is a role-based application process?

Each person completes their section of FAFSA separately

- Student “owner” of the FAFSA
- Identifies contributor(s)

Student must “invite” contributor(s) to complete their specific sections of FAFSA so the student can no longer complete the whole application with minimal parent involvement

- Students provide valid email address for contributor(s) to receive invitation
- Contributor(s) must have FSA IDs to enter their section of the form



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

FAFSA FORM 2024-25 Student Raya Tran

1 Personal Circumstances 2 Demographics 3 Financials 4 Colleges 5 Signature

Invite Parent(s) to This FAFSA® Form

We Need Information for One of Your Parents Now
Based on your answers in the previous section, you'll need to provide information about both of your parents on your FAFSA® form. This does not make them financially responsible for your education. Right now, you can invite one or both of your parents to your form and have them complete their required sections.

Enter information about the parent(s) identified on the prior page, and we'll send emails on your behalf.
Provide the parent's full legal name as it appears on their Social Security card. The email does not have to be the same as their account username and password (FSA ID).

Parent
Alcina Tran
Invite sent to Alcina Tran

Other Parent
Franklin Tran
Invite sent to Franklin Tran

Previous Continue



When inviting other contributors, the contributor's

- legal name
- date of birth,
- SSN
- email

must be provided (and the **first three items** need to match FSA ID information).

The Contributor “Invitation” Process



We Need Information for One of Your Parents Now

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Enter information about the parent(s) identified on the prior page, and we'll send emails on your behalf.

Provide the parent's full legal name as it appears on their Social Security card. The email does not have to be the same as their account username and password (FSA ID).

Parent	Other Parent <small>optional</small>
First Name <input type="text"/>	First Name <input type="text"/>
Last Name <input type="text"/>	Last Name <input type="text"/>
Date of Birth Month Day Year <input type="text"/> <input type="text"/> <input type="text"/>	Date of Birth Month Day Year <input type="text"/> <input type="text"/> <input type="text"/>
Social Security Number (SSN) <input type="text"/> Hide ⓘ	Social Security Number (SSN) <input type="text"/> Hide ⓘ
<input type="checkbox"/> My parent doesn't have an SSN.	<input type="checkbox"/> My parent doesn't have an SSN.
Email Address <input type="text"/>	Email Address <input type="text"/>



The Contributor “Invitation” Process




Anyone identified as a contributor will receive reminders to complete their section of the FAFSA at the 7-day and 14-day mark

There is a 45-day window in which a FAFSA needs to be completed by all contributors in order to be considered a valid application *If incomplete after 45 days, the student will need to start the application over again*

Parent Contributor Section

This Section is Shared With 2 Contributors

Your FAFSA form is shared with the individuals listed below. You can request, manage, or remove signatures and contributions from this page or in your FAFSA form.

Parent Contributors	Date Request Sent	Status	Edit 
 Alcina Tran	07/13/2024	<input checked="" type="checkbox"/> Invite Sent	
 Travis Tran	07/13/2024	<input checked="" type="checkbox"/> Invite Sent	

[Previous](#) [Continue](#)

FSA ID Changes

Two-step verification

Back-up code generated upon FSA ID creation; may be used when user authentication fails

FSA ID must be created before FAFSA is started

- Immediate FAFSA completion after FSA ID creation is effectively impossible
- could take up to 5 working days to process

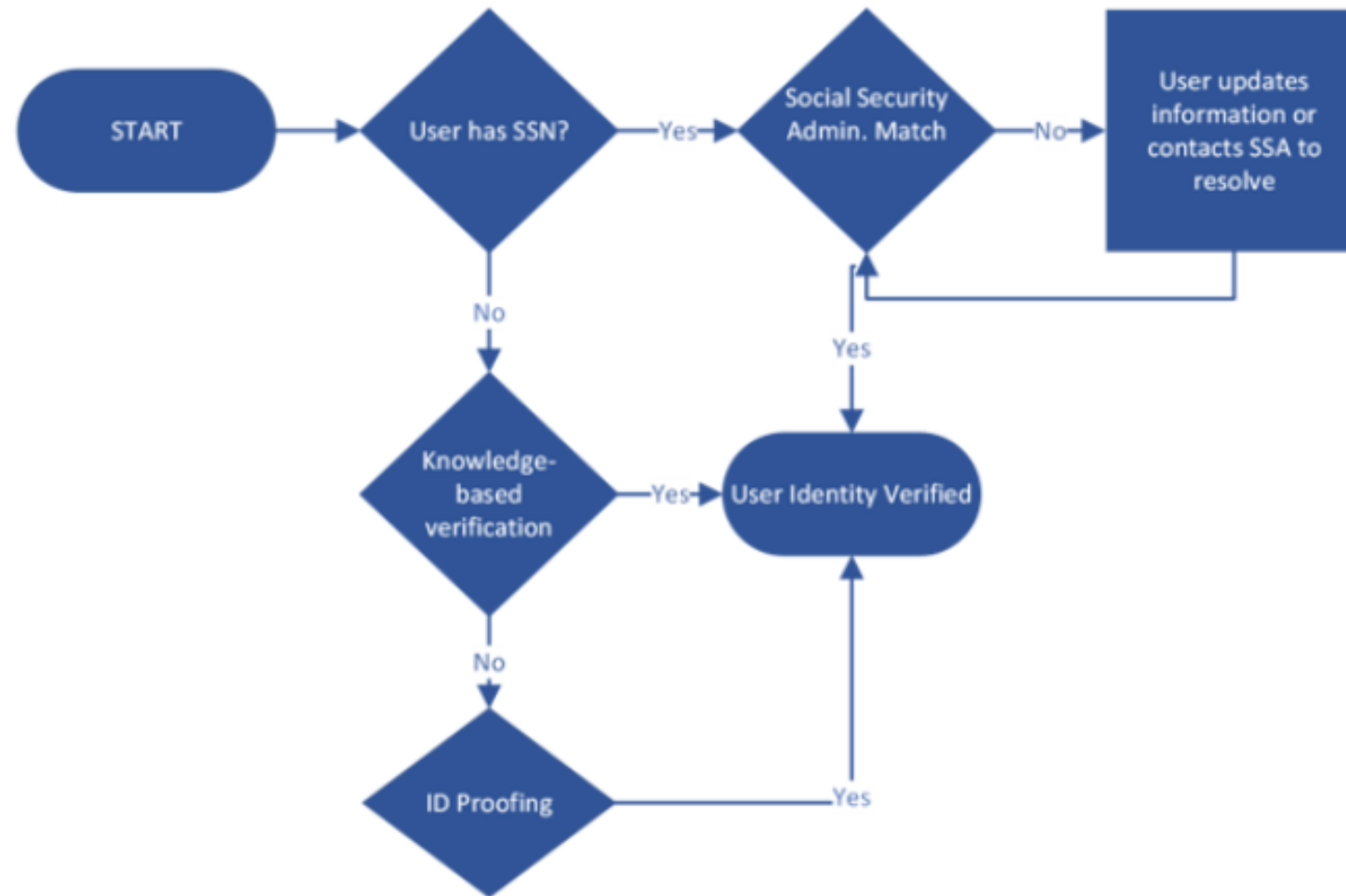
Undocumented parents will now be able to create FSA ID, eliminating signature page!

- For this process, FSA will employ TransUnion's "knowledge-based" identity verification process
- if FSA is unable to authenticate identity through TransUnion, a process called "ID Proofing" will be made available

FSA ID may be needed for both parents or student's spouse if student needs to access two federal tax returns

- -Married parents who filed "married filing separately" or unmarried parents living together
- -Recently re-married parent if the marriage occurred after the FAFSA tax year
- -Recently married students who filed separately in the FAFSA tax year

ID MATCH & VERIFICATION FLOW



FAFSA Change Alert: Who's the parent?

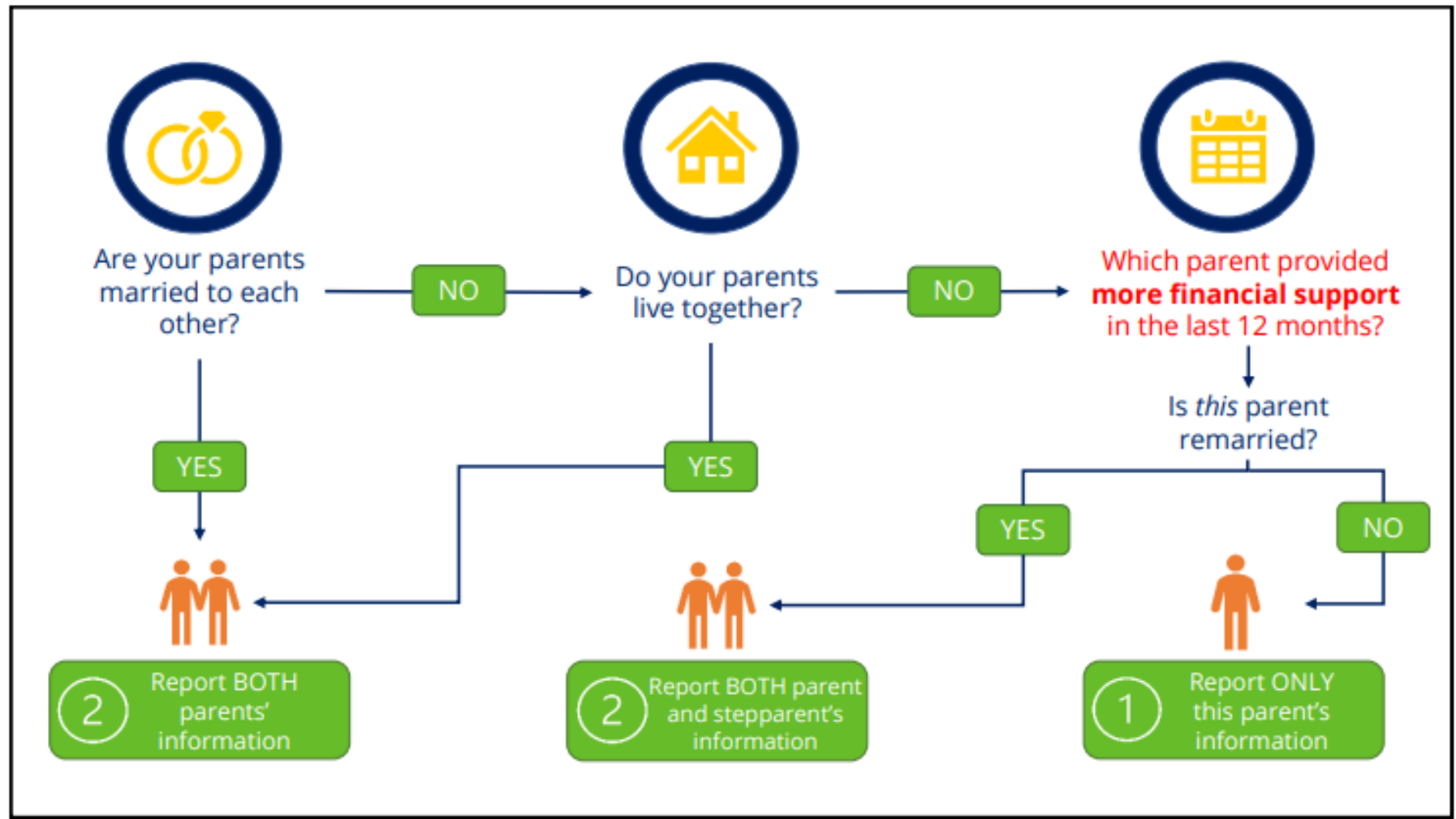
Parents labeled as “contributors”

- If a student must choose one parent to report because of a separation or divorce, the parent reported on FAFSA is the one who provided the most financial support in the last 12 months NO MATTER WHO THE STUDENT LIVED WITH THE MOST

Old Way –which parent did the student live with most over the last 12 months

•New Way –which parent contributed most financially to student Ex: phone Bill , Health/Car Insurance

- Be prepared with reasonable answers as to what should be considered in determining “financial support”



FAFSA Change Alert: Household (family) size

Family size will automatically populate with parent(s), student, and any dependent listed on federal tax return

- If dependents on tax return do not accurately reflect family size, student will be given opportunity to update # of family members
- Family members definition mirrors IRS “qualifying child or relative” definition (see <https://www.irs.gov/pub/irs-pdf/p17.pdf> pages 27-36)

in college no longer counts although it is still asked (for college consideration of adjustments based on # in college)

A married person other than parent(s) cannot be a dependent if they file a joint tax return with someone else even if they live in student’s household

Student who is independent ONLY because they are married revert to dependent status if they are separated (or divorced)

Provide Consent or Be Ineligible for Federal Student Aid

Summary

Your consent is needed to retrieve and disclose federal tax information (FTI). With your consent, we can obtain tax return information automatically from the IRS to help you complete the FAFSA[®] form. If you don't provide consent, you will not be eligible for federal student aid, including grants and loans. You must provide consent even if you didn't file a U.S. federal tax return or any tax return at all.

- Get your 2022 tax return information for the 2024-25 FAFSA form.
- Tax return information is required to complete the FAFSA form.
- FTI is used to determine your eligibility for federal student aid.

Under penalty of law, I certify that I am the individual associated with the FSA ID log-in credentials used to access the FAFSA form to provide the necessary approval and consent for the disclosure and use of my federal tax information (FTI) from the U.S. Department of the Treasury. By accepting below, I approve and consent to:

- The U.S. Department of Education to disclose my Social Security number, last name, and date of birth to the U.S. Department of the Treasury in order to obtain my FTI only for the purpose of determining the eligibility for, and the amount of, federal student aid for myself or of others for which I participated and shared my FTI by a program authorized under subpart 1 of Part A, Part C, or Part D of Title IV of the *Higher Education Act of 1965*, as amended.
- The use of my FTI by U.S. Department of Education officials and contractors (as defined in 26 U.S.C. § 6103(i)(13)), only for the purpose of determining the eligibility for, and amount of, federal student aid for myself or of others for which I participated and shared my FTI by a program authorized under Title IV of the *Higher Education Act of 1965*, as amended.
- The U.S. Department of Education to redisclose my FTI received from the U.S. Department of the Treasury, pursuant to 26 U.S.C 6103(i)(13)(D)(iii), which includes:
 - institutions of higher education participating in the federal student aid programs authorized under the *Higher Education Act of 1965*, as amended;
 - state higher education agencies; and
 - scholarship organizations designated prior to Dec. 19, 2019, by the Secretary of Education.
- The use of my FTI for the application, award, and administration of student aid awarded by the federal government, institutions of higher education, state higher education agencies, and designated scholarship organizations.
- The redisclosure of my FTI to any future 2024-25 FAFSA forms for which I elect to participate (e.g., if I elect to participate in my child's FAFSA form or to complete my own FAFSA form after participating in another FAFSA form). My FTI will be redisclosed to these additional applications upon my affirmation to participate. I understand that I may decline an invitation to participate, which will prevent the transfer of my FTI to that FAFSA form.

By approving and consenting, I further understand:

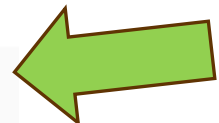
- My approval and consent are a condition of my eligibility or of others for which I have participated and shared my FTI for federal student aid, even if I did not file a U.S. federal tax return.
- FTI received from the U.S. Department of Treasury will supersede any manually entered financial or income information on the FAFSA form.
- The U.S. Department of Education may request updated tax information from the U.S. Department of Treasury once consent is provided. If FTI has changed (e.g., amended tax return filed with revised FTI), then eligibility for and amounts of federal, state, and institutional financial aid may change.
- If I do not approve and consent to the disclosure of my FTI, the U.S. Department of Education will be unable to calculate my eligibility for federal student aid or the eligibility of others who have requested that I share my FTI on their FAFSA form.
- I am permitted to revoke my approval and consent for the disclosure and use of my FTI, as outlined herein, at StudentAid.gov. However, by revoking such approval and consent, neither I nor other applicants for which I participated and shared my FTI will be eligible for future federal student aid and/ or other financial aid program that used FTI to make determinations for eligibility of aid awarded by an institution of higher education, state higher education agency, or other designated scholarship organization.

Frequently Asked Questions

Who should provide consent?	⌵
If I'm married and didn't file a joint tax return with my current spouse, does my spouse have to provide consent for you to access their tax information?	⌵
What happens after I provide consent?	⌵
What happens if I revoke consent?	⌵
What happens if I decline consent?	⌵

Select "Approve" to consent to using your tax information to determine your eligibility for federal student aid. If you select "Decline," you will not be eligible for federal student aid.

Previous Decline **Approve**



FAFSA Change Alert: Income section

- No more IRS Data Retrieval or manual entry of federal income tax return information
 - ✓ Students and FAFSA form contributors must agree to an automatic IRS data transfer
 - ✓ FSA ID controls access to this data transfer, so parents who filed separately must each have FSA ID to transfer data from two returns
 - ✓ Single parents who filed joint tax returns for “FAFSA tax year” must still agree to that data transfer and then will have opportunity to manually report their share of relevant tax info (earnings, taxes owed, etc.)
 - ✓ IRS will confirm non-filing status so no non-filing letter is needed
- Some income questions have been eliminated
 - ✓ Untaxed income from workers’ compensation, unemployment, VA benefits, pre-tax contributions to retirement accounts



FAFSA Change Alert: Parental Assets

- Simplified Needs Test now called “Exempt from Reporting Assets”
 - ✓ Parental income less than \$60,000 with no IRS schedules filed as determined by IRS data transfer
 - ✓ If anyone in the applicant’s household received certain means-tested federal benefits in the last two years, there will no longer be an income threshold; asset reporting skipped
 - ✓ Students will be asked for their own asset information, but it will **NOT** be counted in the eligibility formula if parents are determined to be “exempt from reporting assets”
- Net worth of small businesses and family farms must now be reported
- Annual child support received is now reported as an asset instead of untaxed income; child support paid is **NOT** reported or counted at all

EFC replaced by SAI

Pell eligibility determined in one of two ways

- Federal poverty tables for “FAFSA income year” will dictate whether a student qualifies for either the maximum or minimum Pell Grant
- All other Pell Grant award determinations are made using SAI formula (maximum Pell – SAI = Pell award for full-time attendance)
- Pell eligible student receives the most generous Pell award using either the poverty tables or SAI

Students whose parents were not required to file taxes will be assigned a **-1500 SAI**; SAI formula could also yield a **-1500 result**

- This will help schools differentiate the VERY NEEDIEST students

FAFSA Change Alert: Formula Changes

FAFSA Change Alert: Formula Changes & Federal Taxes

- If IRS does not have a record of federal tax filing, **-1500** SAI is assigned
 - ✓ Parents can check a box that they did not file taxes because their income was below the filing threshold – see:
<https://www.irs.gov/newsroom/who-needs-to-file-a-tax-return>
 - ✓ Parents can also check a box that they did not file federal taxes “for reasons other than low income,” but we are not sure what happens next
 - ✓ Continue to advise students that school financial aid offices are required by law to resolve tax filing requirements and statuses if they discover conflicting information BEFORE THEY ARE PERMITTED TO DISBURSE FEDERAL AID

Student's Parent is a Single Parent			
Family Size	2022 Poverty Guideline	Max Pell Parent AGI Limit (225% of Poverty Guideline)	Min Pell Parent AGI Limit (325% of Poverty Guideline)
2	\$18,310	\$41,198	\$59,508
3	\$23,030	\$51,818	\$74,848
4	\$27,750	\$62,438	\$90,188
5	\$32,470	\$73,058	\$105,528
6	\$37,190	\$83,678	\$120,868
7	\$41,910	\$94,298	\$136,208
8	\$46,630	\$104,918	\$151,548
9+	Add \$4,720 to the poverty guideline for each additional person. Then multiply the AGI by 225% (Max Pell) or 325% (Min Pell) to determine the Parent AGI Limit.		

FAFSA Change Alert: Minimum/Maximum

Student's Parent is not a Single Parent			
Family Size	2022 Poverty Guideline	Max Pell Parent AGI Limit (175% of Poverty Guideline)	Min Pell Parent AGI Limit (275% of Poverty Guideline)
2	\$18,310	\$32,043	\$50,353
3	\$23,030	\$40,303	\$63,333
4	\$27,750	\$48,563	\$76,313
5	\$32,470	\$56,823	\$89,293
6	\$37,190	\$65,083	\$102,273
7	\$41,910	\$73,343	\$115,253
8	\$46,630	\$81,603	\$128,233
9+	Add \$4,720 to the poverty guideline for each additional person. Then multiply the AGI by 175% (Max Pell) or 275% (Min Pell) to determine the Parent AGI Limit.		

FAFSA Change Alert: Miscellaneous Questions



Demographic survey questions will be moved to front of the form



No SAVE key



Student can list up to 20 colleges



Colleges and universities are expected to report Federal Work-Study earnings through ED systems so FWS question will be eliminated; must rely on FAFSA processor to subtract these earnings from students' tax returns if they filed



Students may be granted “provisional independence” – FAFSA processed regularly but final independence determined by school (formerly dependency override)



If homeless determination is made once, it carries forward as renewable status – once decided for one year, determination is good for future years so students don't have to keep proving their homeless status

The FAFSA will be simpler

- Fewer questions
- Greater identity security
- Questions that have little or no impact have been eliminated
- Definitions (like who's the parent) are more straightforward
- 20 instead of 10 schools may be chosen to receive FAFSA results
- NO SIGNATURE PAGE FOR UNDOCUMENTED PARENTS
- Verification process should be much easier

Low-income students may qualify for a larger Pell award based on new formulas where a greater amount of income is "protected"

- Essentially two formulas to calculate eligibility (poverty tables and SAI); the student gets the advantage of the largest calculated award
- Low-income families must report less data to "prove poverty"
- Middle-income families may qualify for less or no Pell due to the elimination of number in college, addition of certain assets not previously counted

Expectations of the FAFSA Simplification Act

CSS Profile- DACA & Undocumented

ONLY FOR Students who are DACA or Undocumented- unable to complete the FAFSA can complete the CSS profile to be reviewed for gift aid eligibility at Arizona's 3 public universities.

STUDENTS ELIGIBLE TO COMPLETE THE FAFSA SHOULD & NOT COMPLETE THE CSS PROFILE!

Must plan to attend: ASU, NAU, or UA

No Application Fee

Available Oct 1st for students entering college in Fall 2024

<https://cssprofile.collegeboard.org/>

What to Focus on this Fall

FSA ID creation

Students and parents with an SSN are able to create their FSA ID now

FAFSA Awareness

- What is the FAFSA?
- Why is it important?
- How can it benefit students and families?

DACA/ Undocumented- CSS Profile

College Applications

THE FIRST STEP TO FINANCIAL AID

CREATING AN FSA ID

The Federal Student Aid Identification, also called the FSA ID, is the first step to completing your FAFSA. It is a username and password that students and parents create to access the FAFSA and electronically sign the form.



For Students and Parents with a Social Security Number

STEPS TO CREATE AN FSA ID

VISIT: [STUDENTAID.GOV/FSA-ID/CREATE-ACCOUNT/LAUNCH](https://studentaid.gov/fsa-id/create-account/launch)

1. Click "Get Started"
2. Enter Personal Information
3. Create Username and Password
4. Verify your Email Address
5. Complete Challenge Questions
6. 2-Step Verification
7. Review and Submit
8. Make sure to write down or take a picture of your FSA ID username and password as a reminder!
9. Repeat the process to have your parent create an FSA ID, too! They will need to input their information and a separate email address.

PLEASE NOTE: If your parent(s) do not have Social Security Numbers, they cannot create FSA IDs at this time, but they will be able to do so later this fall. More information on this process to come!

WHO NEEDS TO CREATE AN FSA ID?

All students need to create an FSA ID and likely your parent(s) or spouse. When you fill out the FAFSA, it will determine if you need to include your parent's information. Generally, unmarried students under the age of 24 are considered dependent upon their parents. Use the graphic to the left to determine who needs to create an FSA ID.

CONTRIBUTORS		SCENARIOS
STUDENT All students must create an FSA ID	ONE PARENT	If you are a dependent student with two married parents who filed a joint federal tax return in 2022.
		If you are a dependent student with separated or divorced parents. The parent who provided you with the most financial support in the last year AND parent's current spouse if they married since January 1, 2023, OR if parent was remarried prior to this date but filed taxes separately from the current spouse.
	BOTH PARENTS	If you are a dependent student with two married parents who filed separate federal tax returns in 2022.
		If you are a dependent student with two parents who are unmarried but living together.
Married Student	SPOUSE	If you are a married student who filed taxes separately in 2022 from your current spouse.
Married Student	STUDENT ONLY	If you are over the age of 24, OR married, and filed joint federal tax returns in 2022.

Training Rollout

FAFSA Bootcamp



Oct 26th [Preparing for the FAFSA: Creating an FSA ID](#)

Nov 2nd [FAFSA 101: FAFSA application overview](#) – new features and helping students and families with the form.

Nov 9th [FAFSA 201 and verification](#): advanced topics: special populations/circumstances, and verification.

Nov 16th [FAFSA Data: Using student-level](#) FAFSA data.

SAVE THE DATE: FAFSA Kick-Off & AzCAN Launch: ASU West Campus, December 1st 8:30 am-1pm



Q&A Session

Resources

- <https://fsapartners.ed.gov/knowledge-center/topics/fafsa-simplification-information/2024-25-fafsa-roadmap>
- https://www.nasfaa.org/fafsa_simplification
- [https://www.nasfaa.org/uploads/documents/Legislative Changes to Federal Methodology Pell Program 2021.pdf](https://www.nasfaa.org/uploads/documents/Legislative_Changes_to_Federal_Methodology_Pell_Program_2021.pdf)
- <https://www.ncan.org/page/state-policy-toolkit>
- [Better FAFSA Training Toolkit - National College Attainment Network \(ncan.org\)](#)
- [FAFSA Challenge | Arizona Board of Regents \(azregents.edu\)](#)
- [Professional Development & Resources - Education Forward Arizona](#)

Contact Information

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THANK YOU!
