



BETTER FAFSA® BETTER FUTURE TRAINING

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NCAN Conference
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Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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1. Key Changes for the 2024-25 FAFSA Cycle
 2. FAFSA Preparation Steps for the 2024-25 Cycle
 3. 2024-25 FAFSA Form & FAFSA Submission Summary Demo
 4. Q&A Session
 5. Applicant Scenario Table Discussions

Information presented today is for training purposes and not for direct attribution. For official comment about the information presented today, please contact press@ed.gov.

KEY CHANGES FOR THE 2024-25 FAFSA CYCLE



BACKGROUND INFORMATION

Why are we making these changes?

FUTURE Act

Allows federal tax
information to be
obtained from
IRS

FAFSA Simplification Act

Expands access to
federal aid

Introduces
significant
changes to FAFSA
process

2024–25 FAFSA® Form

WILL LAUNCH DECEMBER 2023

- Implications of December launch date
- Federal deadline for 2024-25 FAFSA initial submissions = June 30, 2025
- FAFSA Deadlines page -- [StudentAid.gov/fafsa-deadlines](https://studentaid.gov/fafsa-deadlines)



KEY CHANGES

FAFSA® Form Changes

StudentAid.gov account requirement for access

Elimination of Save Key

Parent Wizard

Include up to 20 colleges

KEY CHANGES

FAFSA® Form Changes (Cont.)

Prepopulation of
StudentAid.gov
account info

Direct data
exchange with IRS

Streamlined form
questions

KEY CHANGES



Contributor

Includes student and may include spouse or parent

Required to provide consent and approval

Does not indicate financial responsibility

KEY CHANGES

A contributor IS...

Anyone who is required to provide information on a student's FAFSA form, including the student, the student's spouse, a biological or adoptive parent, or the parent's spouse (stepparent).

VS

A contributor ISN'T...

Non-adoptive grandparents, foster parents, legal guardians, brothers or sisters, and aunts or uncles, even if they helped provide for or raise the student.

WHAT YOU NEED TO KNOW

Contributors



A student's or parent's answers on the FAFSA form will determine which contributors (if any) will be required to provide information.

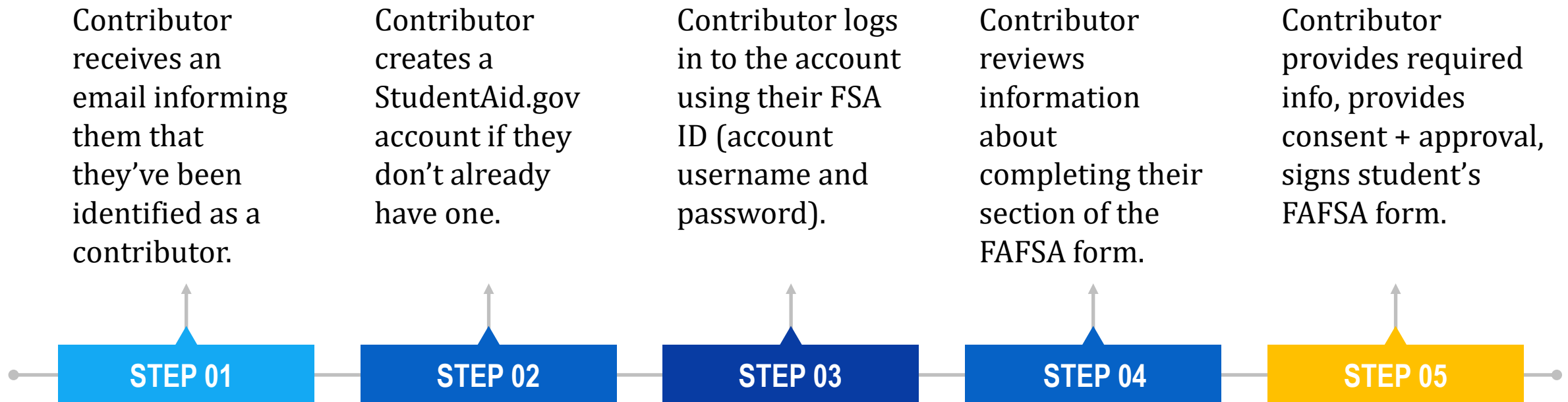


Students or parents invite contributors to complete their portion of the FAFSA form by entering the contributor's name, date of birth, Social Security number, and email address.



Contributors must provide personal and financial information in their own sections of the FAFSA form, but they are not financially responsible for the student's education costs.

STEPS FOR CONTRIBUTORS



IMPORTANT: Being a contributor does NOT indicate financial responsibility. However, if a contributor refuses to provide their information, the student will not be eligible for federal student aid.

KEY CHANGES

StudentAid.gov Account Requirement



Every contributor must have or create their own account for online form access



To log in, users will provide their FSA ID username and password



Contributors without SSNs will be able to create an FSA ID

KEY CHANGES

Financial Aid Direct Data Exchange

All students and contributors must provide consent and approval to

- disclose their personally identifiable information (PII) provided on the FAFSA form to the IRS for matching purposes;
- obtain their federal tax information directly from the IRS via the direct data exchange;
- allow the U.S. Department of Education (ED) to
 - use their federal tax information to determine the student's eligibility and amount of federal student aid;
 - share their federal tax information with postsecondary institutions and state higher education agencies for use in awarding and administering financial aid; and
 - reuse their federal tax information on another FAFSA applicant's form that they are invited to contribute to.

WHAT YOU NEED TO KNOW

Financial Aid Direct Data Exchange Consent and Approval

- Impacts of not providing consent
- What is included on the FAFSA form
- Who needs to provide consent and approval



SPECIFIC FTI DATA ITEMS

DATA RECEIVED FROM THE DIRECT DATA EXCHANGE

- Tax year
- Tax filing status
- Adjust Gross Income (AGI)
- Number of exemptions and dependents
- Income earned from work
- Taxes paid
- Educational credits
- Untaxed IRS distributions
- IRA deductibles and payments
- Tax exempt interest
- Untaxed pension amounts
- Schedule C net profit/loss
- Indicators for tax schedules
- IRS response code

FTI & FAMILY SIZE

- Family size aligned with prior-prior year federal tax return exemptions
- Family size equals
 - Student's exemptions + Parent's exemptions (if student is dependent) when FTI received
 - Self-reported family size when FTI not received
- Family size that has changed/is different



KEY CHANGES

Student Aid Index (SAI)

- The SAI is a number that's used to determine eligibility for need-based aid. It is calculated using information that the student (and contributors, if required) provides on the FAFSA form.
- The SAI will replace the Expected Family Contribution (EFC) starting in the 2024–25 award year.
- A student's SAI can be a negative number down to –1500.

KEY CHANGES

Student Aid Index (SAI)

- A dependent student whose parents aren't required to file a 2022 federal income tax return will be assigned an SAI of -1500. An independent student (and their spouse, if applicable) who isn't required to file a 2022 federal income tax return will also be assigned an SAI of -1500.
- The SAI may contribute to the formula to determine a student's Pell Grant eligibility but is not the sole determining factor.

Financial need = Cost of Attendance (COA) – Student Aid Index (SAI) – Other Financial Assistance (OFA)

KEY CHANGES

Student Aid Index (SAI)

The SAI also represents a change in the methodology used to determine aid.

- Child support received will now count as an asset.
- Family farms and small businesses will now count as assets, less the family's primary residence if also located on the farm.
- The number of family members in college is no longer considered in the needs analysis formula, but it is still a required question on the FAFSA form.

KEY CHANGES

Applicants exempt from asset reporting

- The Simplified Needs Test (SNT) and Auto-Zero EFC are eliminated, though some applicants will still be exempt from asset reporting based on similar criteria:
 - An applicant who qualifies for an automatic Maximum Pell Grant;
 - An applicant who received (or whose parent or spouse received) a federal means-tested benefit program in prior two calendar years;
 - A dependent applicant with parents whose AGI is < \$60,000, do not file a Schedule A, B, D, E, F, or H, and do not file a Schedule C or have \leq \$10,000 of net business gains or losses; or
 - An independent applicant (and spouse, if applicable) whose AGI is < \$60,000, does not file a Schedule A, B, D, E, F, or H, and does not file a Schedule C or has \leq \$10,000 of net business gains or losses.

FEDERAL PELL GRANT ELIGIBILITY

Eligibility Will Be Determined in 3 Steps

1

Maximum Pell Grant

A student may qualify for a maximum Pell Grant based on family size, adjusted gross income, poverty guidelines, and tax filing status. A student qualifying for a maximum Pell Grant will have a Student Aid Index (SAI) between -1500 and 0.

2

Calculated Pell

A student who doesn't qualify for a maximum Pell Grant may still be eligible if their calculated SAI is less than the maximum Pell Grant award for the award year. The student's Pell Grant award will be equal to the maximum Pell Grant for the award year minus their SAI.

3

Minimum Pell Grant

A student whose SAI is greater than the maximum Pell Grant award for the award year may still be eligible for a Pell Grant, based on family size, adjusted gross income, and poverty guidelines.

KEY CHANGES

Provisionally Independent Status for Students With Unusual Circumstances

- Unusual circumstances are when a student is unable to contact a parent or where contact with the parent poses a risk to the student.
- Starting with the 2024–25 award year, applicants who indicate on their FAFSA form that they have unusual circumstances will be granted provisionally independent status.
- Examples of unusual circumstances may include human trafficking, legally granted refugee or asylum status, parent abandonment or estrangement, and student or parent incarceration.

WHAT YOU NEED TO KNOW

After submitting the FAFSA form, the student will need to provide supporting documentation of their unusual circumstances directly to the school they will attend.

A financial aid administrator will make the final determination of a student's unusual circumstances based on the documentation that the student submits to the school.

If a school approves a student's unusual circumstances, their independent status will remain as long as the student stays at the same school and their circumstances don't change.

HOMELESS YOUTH

Unaccompanied Homeless Youth Determinations

A homeless youth determination refers to a determination of eligibility for services under the *McKinney-Vento Homeless Assistance Act*. *McKinney-Vento* establishes the definitions for homelessness that are referenced on the FAFSA form. This determination is different from a dependency override for unusual circumstances.



KEY CHANGES

Documentation for Homeless Determinations

On the 2024–25 FAFSA® form, a student will self-identify if they are an unaccompanied and homeless youth, or unaccompanied, at risk of homelessness, and self-supporting. They will also indicate if they have been determined to be homeless or at risk of homelessness by one of the following sources:

- homeless liaison for local education agency
- financial aid administrator from a different school that documented student circumstance for same or prior award year
- director or designee of a
 - transitional or emergency shelter
 - street outreach program
 - homeless youth drop-in center
 - program serving individuals experiencing homelessness
 - program supported by federal TRIO or GEAR UP grant

WHAT YOU NEED TO KNOW

The financial aid office at the student's college or career school must consider a determination by one of the previously listed entities to be sufficient.

The college or career school may still ask the student to provide documentation of their determination.

If the student indicates on the FAFSA form that they are homeless but has not and will not receive a determination, they will be considered provisionally independent.

KEY CHANGES

Unusual Circumstances

A student is unable to provide parent information due to the following unusual circumstances:

- human trafficking
- legally granted refugee or asylum status
- parental abandonment or estrangement
- student or parental incarceration

VS

Special Circumstances

A student or contributor experiences the following significant changes to their financial situation:

- loss of employment or financial assets
- reduction in income
- tuition expenses at an elementary or secondary school
- unusual medical or dental expenses not covered by insurance

SPECIAL CIRCUMSTANCES

- Examples of special circumstances may include loss of employment or financial assets, reduction in income, tuition expenses at an elementary or secondary school, or unusual medical or dental expenses not covered by insurance.
- After submitting the FAFSA form, the student must provide documentation of their special circumstances directly to the school they will attend, and a financial aid administrator will make a professional judgment determination.



FAFSA PREPARATION STEPS FOR THE 2024-25 CYCLE



WHAT SHOULD I DO NOW?

Browse the latest webinars for college access professionals. Webinar recordings about FAFSA changes and updates for the 2024–25 award year are available at youtube.com/@FSAOutreach.

Webinars and Training

- ✓ FAFSA® Changes: An Overview
- ✓ Special Student Populations and Circumstances for the 2024–25 FAFSA® Form
- ✓ Resources to Effectively Engage Families for Upcoming FAFSA® Changes
- ✓ 2024–25 FAFSA® Demonstration

To find additional webinar recordings, search for “Webinar or Audio File” resources at FinancialAidToolkit.ed.gov/resources. These resources are searchable by resource type, audience type, and topic.

WHAT SHOULD I DO NOW?

Familiarize yourself with the upcoming FAFSA changes to be prepared to help students and families.

Financial Aid Toolkit

Review information and resources that are currently available at FinancialAidToolkit.ed.gov/bfbf.

- ☑ FAFSA® Changes Overview
- ☑ 5 Things College Access Professionals Should Know
- ☑ FAFSA Changes—Student Aid Index
- ☑ Students With Unusual Circumstances
- ☑ FAFSA® Changes FAQs
- ☑ Better FAFSA® Better Future Infographic
- ☑ Better FAFSA® Better Future Overview Video

WHAT SHOULD I DO NEXT?

September To-do List

- ✓ Communicate to students and their families that the 2024–25 FAFSA form will launch in December 2023.
 - The December FAFSA launch date means that scheduling FAFSA completion events and outreach timing will likely change.
 - Some school and state FAFSA deadlines may also be affected. The federal 2024–25 FAFSA deadline will be June 30, 2025.
 - Check for updates on FAFSA deadlines at [StudentAid.gov/fafsa-deadlines](https://studentaid.gov/fafsa-deadlines).

WHAT SHOULD I DO NEXT?

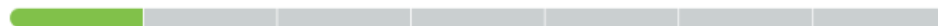
October To-do List

✓ Prepare key information for students and families.

- “Contributor” is a new term being introduced on the 2024–25 FAFSA form.
 - A contributor is anyone who is required to provide their information and signature on the FAFSA form as well as provide consent and approval to have their federal tax information transferred from the IRS directly into the form via direct data exchange.
 - Contributor participation does not indicate financial responsibility.
- Everyone contributing to the FAFSA form online must have their own StudentAid.gov account.
 - Create an account at [StudentAid.gov/fsa-id/create-account](https://studentaid.gov/fsa-id/create-account).
 - All students and contributors will need their own StudentAid.gov account before filling out the FAFSA form. Encourage students and families to create their accounts early to be prepared.
- Each contributor will need their own unique email address.
- A contributor without a Social Security number can create a StudentAid.gov account.
- Students and contributors must provide consent and approval to have their federal tax information transferred from the IRS directly into the form via data exchange.
 - Student and contributor federal tax information will be used to determine the student’s eligibility for federal student aid.
 - If a student or required contributor doesn’t provide consent and approval, the student will not be eligible for federal student aid—even if they manually enter tax information into the FAFSA form.

SCREENSHOT OF ACCOUNT CREATION PAGE

Create an Account



Step 1 of 7

Personal Information

I understand that I'll be required to certify that the information I provide to create an account is true and correct and that I'm the individual who I claim to be.

If I'm not the person I claim to be, I understand that I'm not authorized to proceed and that I should exit this form now. If I provide false or misleading information, I understand that I may be subject to a fine, prison time, or both.

First Name

 ?

Middle Initial

 ?

Last Name

 ?

Date of Birth

Month	Day	Year
<input type="text" value="09"/>	<input type="text" value="07"/>	<input type="text" value="1991"/>

 ?

Social Security Number

☒ I don't have a Social Security number.

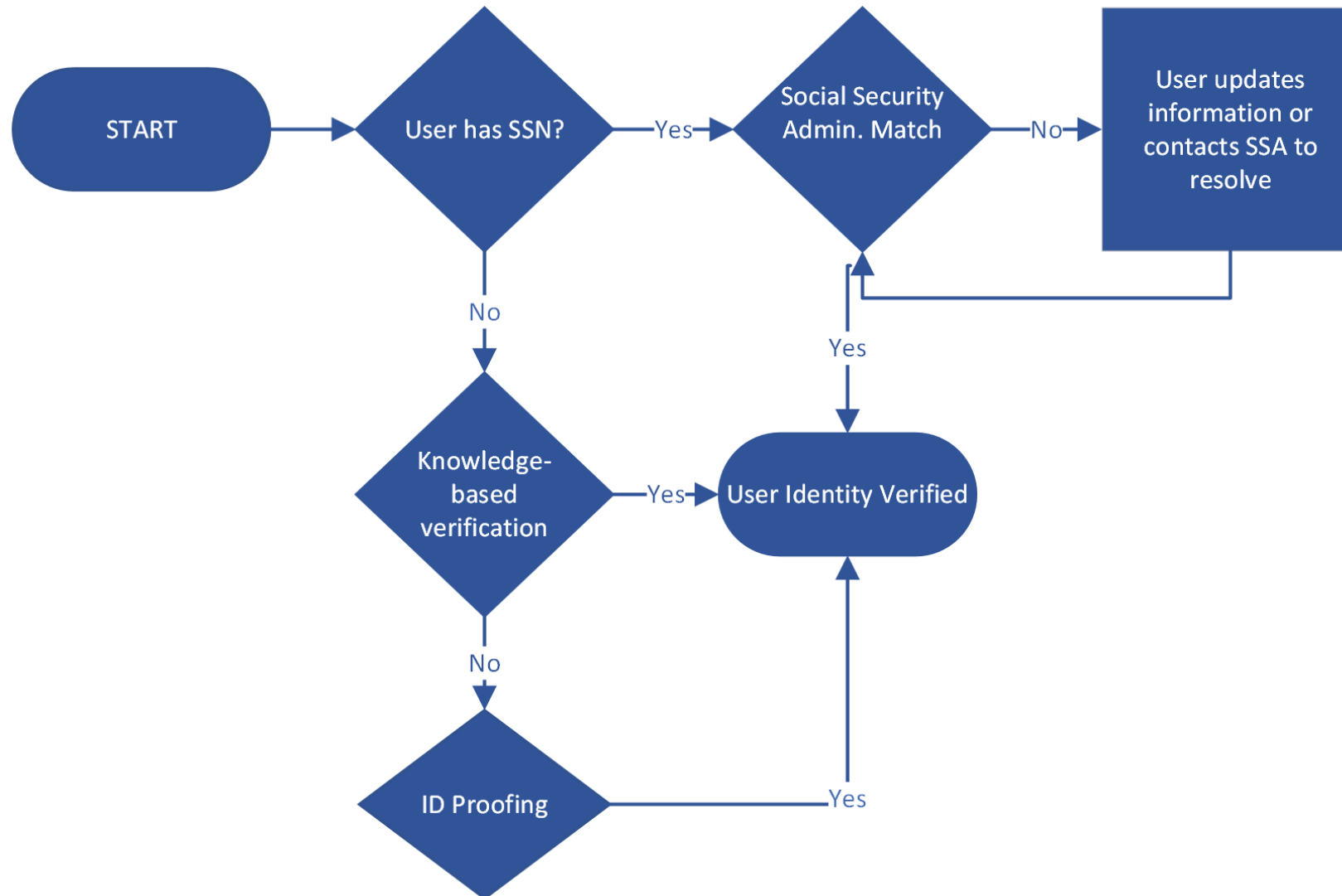
Cancel

Continue

ID VERIFICATION FOR NON-SSN HOLDERS

- Knowledge-based identity verification process
- Identity match required for each contributor to verify FSA ID
- Conducted on students who are from the Freely Associated States and have a pseudo-SSN
- The student's spouse, parent, or other parent are sent through the knowledge-based ID verification process when they do not have an SSN

ID MATCH & VERIFICATION FLOW



WHAT SHOULD I DO NEXT?

October To-do List (cont'd)

- ✓ Prepare for college nights.
 - Since students will not be able to complete the 2024–25 FAFSA form until December 2023, timing of these events may need to be different from previous years.
- ✓ Join us for the 5th Annual Federal Financial Aid Virtual Bootcamp

Wednesday, Oct. 25, 2023

How to prepare for the 2024-25 FAFSA

1 – 2pm Eastern Time

2024-25 FAFSA Prototype Preview

3 – 4pm Eastern Time

Thursday, Oct. 26, 2023

How to select the best college using College Scorecard

3 – 4pm Eastern Time

2024-25 FAFSA Prototype Preview

8 – 9pm Eastern Time

WHAT SHOULD I DO NEXT?

October To-do List (cont'd)

- ✓ Review the [FAFSA® Changes: An Overview](#) webinar if you need a refresher on contributors, the StudentAid.gov account requirement, or providing consent and approval to transfer federal tax information from the IRS via direct data exchange.
- ✓ Review the [2024–25 FAFSA Preview Presentation](#) to better understand the 2024–25 FAFSA form and prepare for FAFSA outreach and events. This presentation includes detailed screenshots of the 2024–25 FAFSA online form and new user experience.
- ✓ Use the [2024-25 FAFSA Prototype](#) to navigate specific scenarios that many 2024–25 applicants will encounter on the live website.

WHAT SHOULD I DO NEXT?

November To-do List

- ✓ Encourage students and families to ask questions. Be prepared to provide assistance or direct them to helpful resources.
 - Students or families with special or unusual circumstances may require additional guidance.
 - Special circumstances are when a student or contributor experiences significant changes to their financial situation.
 - Unusual circumstances are when a student is unable to provide parent information due to unusual circumstances.
 - Students with special or unusual circumstances may request a professional judgment determination from a financial aid administrator at the school they will attend if either of these situations apply.

WHAT SHOULD I DO NEXT?

December To-do List – FAFSA® Prep

- ✓ Complete last-minute prep for the FAFSA form launch.
 - Encourage students and families to set up their StudentAid.gov accounts.
 - Complete planning and preparation for FAFSA events.
 - Review FAFSA video playlists that will be posted to [YouTube.com/@FederalStudentAid](https://www.youtube.com/@FederalStudentAid). These will be helpful resources for students and families.

WHAT SHOULD I DO NEXT?

December To-do List – FAFSA® Prep (Cont.)

- ✓ Prepare students and contributors to complete the FAFSA form.
 - Students will go to fafsa.gov to fill out their FAFSA form.
 - Explain the importance of remembering their StudentAid.gov account username and password (FSA ID), which will be used to log in to complete the FAFSA form.
 - Explain what to do if they run into issues while filling out the FAFSA form:
 - Direct students to StudentAid.gov or video playlists that will cover FAQs and steps to fill out the FAFSA form.
 - FAFSA questions have links to help pages that provide further context about the question.
 - Students can contact the Federal Student Aid Information Center at 1-800-433-3243 if they need additional assistance.
 - Explain why it's important to meet all school, state, and federal FAFSA deadlines. More information about deadlines can be found at StudentAid.gov/fafsa-deadlines.

WHAT SHOULD I DO NEXT?

December Onward To-do List – FAFSA Follow-up

- ✓ What happens after submitting the FAFSA form?
 - The student should review their FAFSA Submission Summary (formerly known as the SAR) to confirm all information is accurate.
 - The student will receive aid offers from schools they listed on their FAFSA form and have been accepted to. This will tell them how much aid they're eligible for at that school.
 - If the student has questions about their aid offer or next steps, they should reach out to the financial aid office at the school they will attend.

WHAT SHOULD I DO NEXT?

December Onward To-do List – FAFSA Follow-up (cont'd)

- ✓ Direct students to the following pages on StudentAid.gov for more information about what to do after submitting their FAFSA form:
 - The “[SAR: Student Aid Report](#)” web page will be updated to reflect the SAR being changed to the FAFSA Submission Summary.
 - Additional information about the FAFSA Submission Summary will be included in a new “Understanding the FAFSA Submission Summary” blog post that will be posted prior to the 2024–25 FAFSA launch.
 - The “[Comparing School Financial Aid Offers](#)” and “[Accepting Financial Aid](#)” web pages provide guidance on selecting financial aid offers.
 - A new “After FAFSA Submission” playlist will be added to [YouTube.com/@FederalStudentAid](https://www.youtube.com/@FederalStudentAid).

TOOLS & RESOURCES

→ Financial Aid Toolkit

→ Follow Us on Social

FinancialAidToolkit.ed.gov



linkedin.com/company/federalstudentaid



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instagram.com/federalstudentaid



twitter.com/FAFSA



youtube.com/@FederalStudentAid



youtube.com/@FSAOutreach

UPCOMING WEBINAR



StudentAid.gov Account Creation Process for Users Without an SSN

- Thursday, November 2 at 1 p.m. Eastern Time (ET)
- Complete details and link to join on the day of the event are available on the FSA Training Website: <https://fsatraining.ed.gov/>

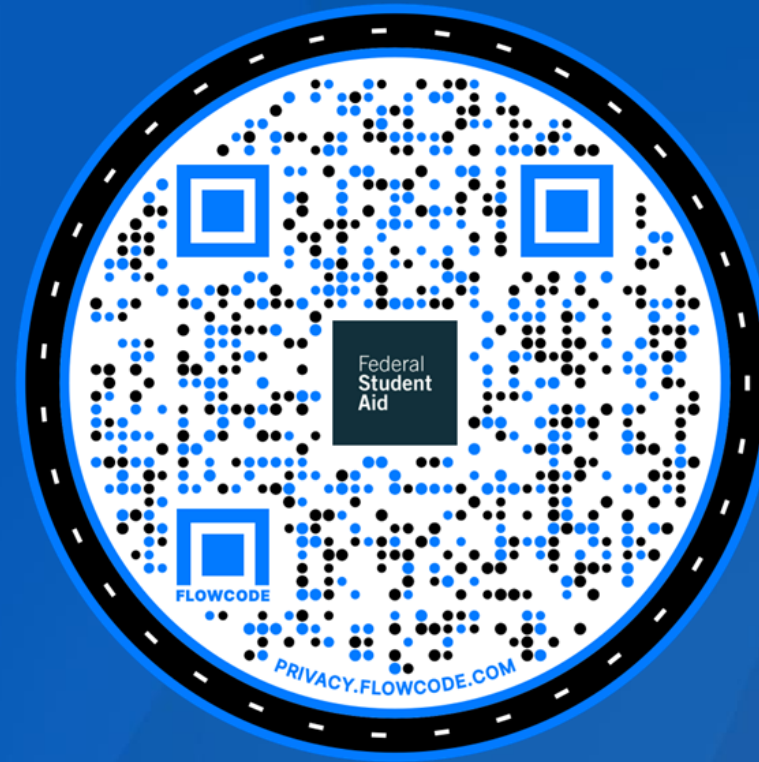
Note: This webinar is informational in nature for our external partners and not meant to provide step-by-step instructions. We kindly request that you do **not** refer students and families to view this webinar.

Sign Up for Partner Emails

- Upcoming webinar alerts
- Webinar recordings
- Federal Student Aid updates

Sign-up Link:

outreach.fsapartners.ed.gov





2024-25 FAFSA[®] FORM & FAFSA SUBMISSION SUMMARY DEMO



QUESTIONS?





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Federal Student Aid
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