

FAFSA Changes

Introduction Big changes are coming to the Free Application for Federal Student Aid (FAFSA®) process for 2024–25:

- This is our first major redesign of the FAFSA process in 40 years.
- FAFSA updates extend into the back-end systems that store and process data.

Watch the Better FAFSA® Better Future Overview video: youtu.be/pi28rKT8ePg

2024 –25 FAFSA ® Form Will Launch in December 2023

The December FAFSA® launch date means that scheduling for 2024 –25 FAFSA completion events and outreach timing will likely change.

Some state and college FAFSA deadlines may also be affected. The federal 2024 –25 FAFSA deadline will be June 30, 2025.

Bookmark the “FAFSA® Application Deadlines

Key Change – FSA ID Requirement

- All students and contributors must create a StudentAid.gov account to complete the FAFSA® form online.
- To log in to their accounts, students and contributors will use their FSA IDs (account username and password).
- Even if a contributor doesn't have a Social Security number, they can still get an FSA ID to fill out their portion of the student's FAFSA form online.

NOTE: A student must be a U.S. citizen or eligible noncitizen to be eligible for federal student aid.

Key Change – Contributors

- Contributor is a new term being introduced on the 2024–25 FAFSA® form.

- A contributor refers to anyone who is asked to provide information on a student's FAFSA form.

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 adopted parent, or the parent's spouse (stepparent).

A contributor ISN'T...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

1. Contributor receives email informing them that they've been identified as a contributor.
2. Contributor creates a StudentAid.gov account if they don't already have one.
3. Contributor logs in to account using their FSA ID (account username and password).
4. Contributor reviews information about completing their section of the FAFSA® form.
5. Contributor provides the required information on the student's FAFSA form.

IMPORTANT: Being a contributor does NOT implicate financial responsibility. However, if a required contributor refuses to provide their information, it will result in an incomplete FAFSA form and the student will become ineligible for federal student aid.

Key Change – Financial Aid Direct Data Exchange

All students and contributors must provide consent to:

- Have their federal tax information transferred directly into the FAFSA® form via direct data exchange with the IRS,
- Have their federal tax information used to determine the student's eligibility for federal student aid, and
- Allow the U.S. Department of Education to share their federal tax information with postsecondary institutions and state higher education agencies for use in awarding and administering financial aid.

NOTE: Even if students or contributors don't have a Social Security number, didn't file taxes, or filed taxes outside of the U.S., they still need to provide consent.

What You Need To Know

- If a student or required contributor doesn't provide consent to have their federal tax information transferred into the FAFSA® form, the student will not be eligible for federal student aid— even if they manually enter tax information into the FAFSA form.
- Information about how federal tax information will be used and the consequences of not providing consent will be included on the FAFSA form.

Key Change – Student Aid Index (SAI)

- The SAI is a number that's used to determine eligibility for needbased 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.

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

What You Need To Know

The Student Aid Index (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.
- 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.

Additional information on the SAI formulas can be found in the 2024–2025 DRAFT Pell Eligibility and SAI Guide:

<https://fsapartners.ed.gov/sites/default/files/2022-11/202425DraftStudentAidIndexSAIandPellGrantEligibilityGuide.pdf>

Federal Pell Grant Eligibility Will Be Determined in 3 Steps

1. Maximum Pell Grant - Students may qualify for a maximum Pell Grant based on family size, adjusted gross income, poverty guidelines, and tax filing status. Students qualifying for a maximum Pell Grant will have a Student Aid Index (SAI) between –1500 and 0.
2. Student Aid Index (SAI) - Students who don'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 - Students 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 Change – Unusual and Special 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 in the 2024–25 award year, applicants who indicate on their FAFSA® form that they have unusual circumstances will be granted provisional independent status.

- Examples of unusual circumstances include human trafficking, legally granted refugee or asylum status, parental abandonment or estrangement, and student or parental incarceration.

Independent Students

Other students can continue to be considered independent students on the 2024–25 FAFSA® form and will not be required to have their parents be contributors.

For the 2024–25 award year, an independent student is one of the following:

born before Jan. 1, 2001

- an orphan
- a ward of the court
- an emancipated minor
- an emancipated minor
- married (and not separated)
- someone with legal dependents other than a spouse
- someone who is unaccompanied and homeless or self-supporting and at risk of being homeless

What You Need To Know

- Students with unusual circumstances will be granted provisional independent status and can complete the FAFSA® form without providing parental information.
- Students with this provisional independent student status will receive an estimate of their federal student aid eligibility.
- 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, or the financial aid administrator may perform their own personal assessment.
- If a school approves a student's unusual circumstances, their independent student status will remain as long as the student stays at the same school and their circumstances don't change.

Unusual Circumstances Documentation

- After submitting the FAFSA® form, the student will need to provide supporting documentation of their unusual circumstances directly to the school they will attend.
- Acceptable documentation could include interviews, documented phone calls and statements from various officials, court documents, utility bills, and any other documentation deemed appropriate by the school.
- The student should contact their school's financial aid office if they have questions about their circumstances.

Read the FAFSA® Simplification Fact Sheet – Students With Unusual Circumstances:

<https://financialaidtoolkit.ed.gov/resources/bfbf-students-unusual-circumstances.pdf>

Unusual Circumstances

Student is unable to provide parent information due to unusual circumstances:

- Human trafficking
- Legally granted refugee or asylum status
- Parental abandonment or estrangement
- Student or parental incarceration

Special Circumstances

Student or contributor experiences 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

CSS Profile

Some colleges will require the completion of the CSS Profile to qualify for financial aid and scholarship money.

- The CSS Profile is available October 1 for the next school year.
- Can be completed by domestic, international, or undocumented students.
- U.S. undergraduate students are eligible for fee waivers if:
 - Family adjusted gross income is up to \$100,000
 - The student qualified for an SAT fee waiver
 - The student is an orphan or ward of the court under the age of 24

Learn more at www.cssprofile.org

Additional Resources

- <http://financialaidtoolkit.ed.gov/>
- <http://fsapartners.ed.gov/knowledge-center>
- <http://studentaid.gov/aid-estimator>
- <http://studentaid.gov/loan-simulator>
- <http://linkedin.com/company/federalstudentaid>
- <http://facebook.com/federalstudentaid>
- <http://instagram.com/federalstudentaid>
- <http://twitter.com/FAFSA>
- <https://www.youtube.com/federalstudentaid>

If you have additional Financial Aid questions, always reach out to the college's Financial Aid Office.