

CONNECTED24

Preparing for the New FAFSA

How to Understand and Communicate the Impact of FAFSA Changes Across Your Campus and Beyond

Blue Sky Discussion



Meet your Moderators



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Overview of the Key Changes to the FAFSA

2

Guided Group Strategy Huddle

3

Key Takeaways and Next Steps

The Scope of My Role on My Campus Primarily Includes...

Enrollment Services and Admissions

0%

Student Affairs and Student Services

0%

Academic Affairs and Advising

0%

Institutional Research and Technology Support Services

0%

How Deeply Your Day-to-Day Work Includes Financial Aid:

I think about, talk about, and dream about financial aid every day.

0%

Financial aid personnel are key collaborators in my work.

0%

I oversee Financial Aid on campus.

0%

My work does not deeply involve or support financial aid.

0%



Financial Aid Is Student Success

Every one of our jobs touches student success. Therefore, every one of our jobs also touches financial aid. How will these changes impact your students most?



Managing Change Management

Changes to the FAFSA will ultimately result in a series of changes. We must be proactive in understanding, preparing for, and communicating these changes for maximum support and minimal disruption.



Equity-Minded Support

These changes are more likely to disproportionately impact specific groups of students. Strategic support minimizes the potential for these changes to result in negative impacts for these students.

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Overview of the Key Changes to the FAFSA

What Is Coming and Why It Matters Now

1



Key Changes Coming to the FAFSA

Notable Changes

- ▶ The FAFSA will be **considerably shorter**, BUT **logging in may be more difficult**
- ▶ The FAFSA will rely almost exclusively on information from a **family's recent tax return**
- ▶ Expected Family Contribution (EFC) will become the **Student Aid Index (SAI)**
- ▶ Potential for **Negative Student Aid Index (SAI)** up to 1,500

Students Most Impacted by FAFSA Changes

Pell Grant Recipients

Notable increase in number of Pell recipients from a wide range of EFC beyond those who historically just miss the cut

Families with Multiple Students in College

SAI will be the same regardless of how many family members are in college

Complex Contributors

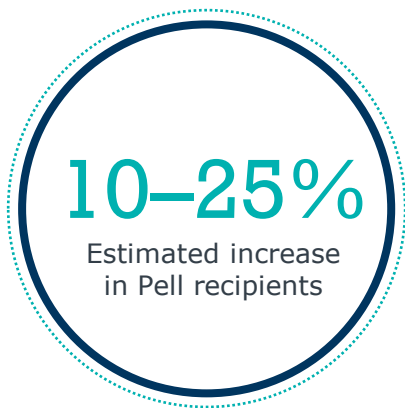
Required approval in order to award aid might be complex for students with separated or undocumented parents

Small Business and Farm Owners

With additional assets being considered in SAI, this will have a large impact on this population

Get Ready for a Pell Grant Expansion

Providing Broader Access and Support for Low-Income Students



EAB Analysis

Analysis of EAB partners projects a major increase in Pell recipients, resulting in hundreds of thousands of additional grant dollars for college-bound students.

Key Takeaways

- ▶ The distribution of students who moved to Pell **was broader than expected.**
 - ▶ Students who move into Pell come from a wide range of EFCs, **beyond those who historically just missed the cut.**
 - ▶ Some students with **EFCs of 18K or higher will now gain Pell eligibility.**
- ▶ **Open Question:** Will your state grant change with new Pell/SAI information?

Families with Multiple Students in College

Consider These Special Circumstances



New SAI methodology will **no longer take this circumstance into account**, meaning that SAI will be the same for each student regardless of how many family members are in college.

Key Considerations

1 Using professional judgment, a school can still take this information into account when awarding aid.

2 For **low-income families**, other formula changes should mitigate the effects of this shift.

3 For **middle- and high-income families**, this new methodology will likely result in a significantly higher SAI.

Dept. of Education's (Unofficially) Suggested Approach

Parents
FAFSA AGI

-

Out-of-Pocket Costs
at Other Institution

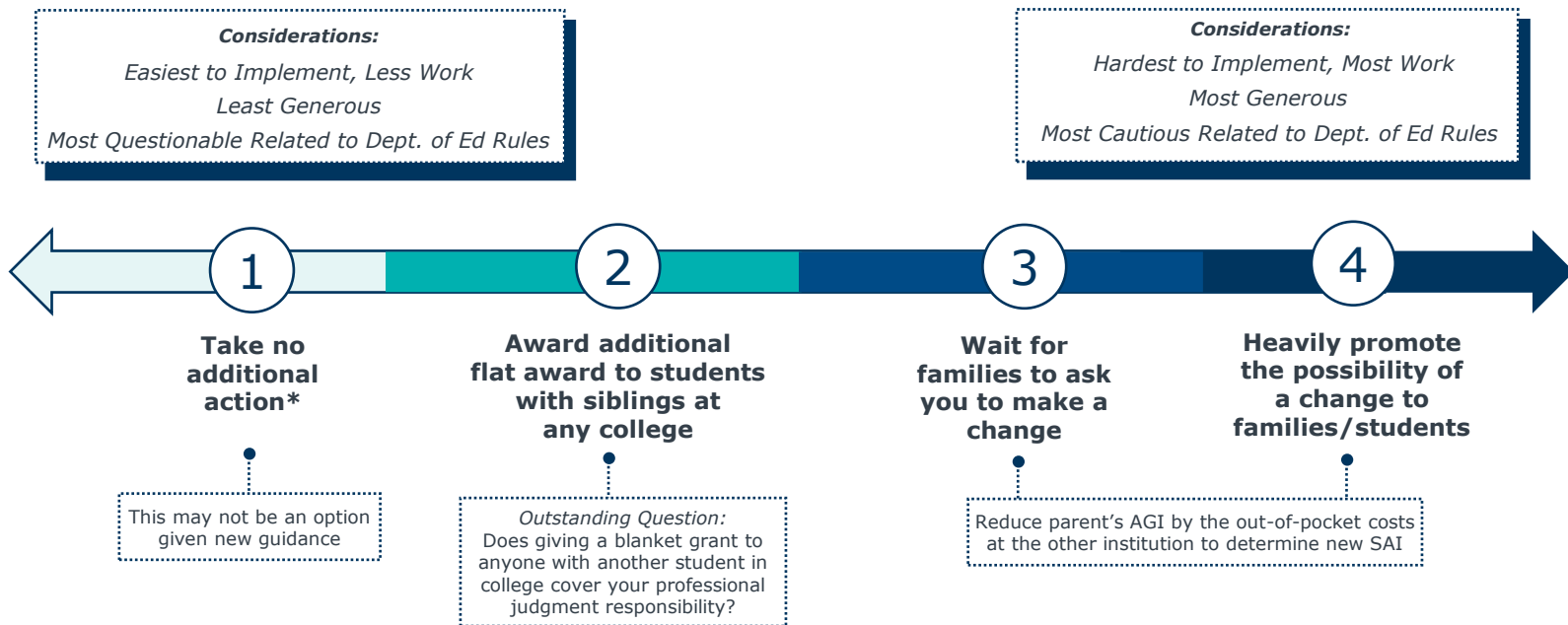


New SAI

But professional judgment allows you options...

Managing the Number of Students in College

Institutions Face a Spectrum of Possibilities



On average, **20–35%** of enrolled students come from families with multiple students in college.

Example Scenario

Applicant Loses Pell Grant Eligibility Due to Multiple Student Change



	EFC Formula	SAI Formula
Applicant Dependency Status	Dependent	
Parent Marital Status	Married	
Parent Household/Family Size/#in College	6 in household 3 in college	6 in household # in college n/a
Parent Total Income	\$110,500	
Parent Assets	\$104,000	
Student Total Income	\$3,700	
Student Assets	\$400	
EFC/SAI: Calculated	5,600	18,400
Pell Grant	\$695	0

~3X

Brooklyn's SAI is approximately three times the EFC, since SAI will now apply to each family member as opposed to being split.

Early Data Analysis: Impact on Ability to Pay and Need

EFC and SAI Need Comparison (Aid Applicant Admits)

EFC Range (Current FAFSA)	SAI Less than EFC		SAI Greater than or Equal to EFC	
	Record Count	Average Need Difference	Record Count	Average Need Difference
\$0 EFC	741	-\$1,489	3	\$4,099
\$1-\$6,206	898	-\$2,278	102	\$1,879
\$6,207-\$6,999	51	-\$3,147	15	\$2,566
\$7,000-\$7,999	59	-\$3,401	28	\$3,798
\$8,000-\$8,999	47	-\$3,504	40	\$4,621
\$9,000-\$14,999	273	-\$3,280	189	\$7,575
\$24,999	383	-\$4,601	300	\$13,008
\$39,999	431	-\$6,490	280	\$21,901
\$40,000 or more	1111	-\$12,534	804	\$61,657
Total	3994	-\$4,525	1761	\$13,456



For many schools,
**SAIs tend to be
lower than EFCs**
in general



With Two Notable Exceptions:



Multiple Students in College:

In most cases, students whose SAIs are higher than EFCs are due to multiple students in college



High Tax States:

Students from high tax states (CA, IL, NY, MA, etc.) can have higher SAIs than EFCs due to the removal of state tax allowance

Families with Farm and Small Business Ownership

Consider These Special Circumstances



10+ Years Since This Approach Last Changed

Families who own a small business or a farm that also serves as their primary residence will now have the assets of that business or farm considered in their SAI calculation.

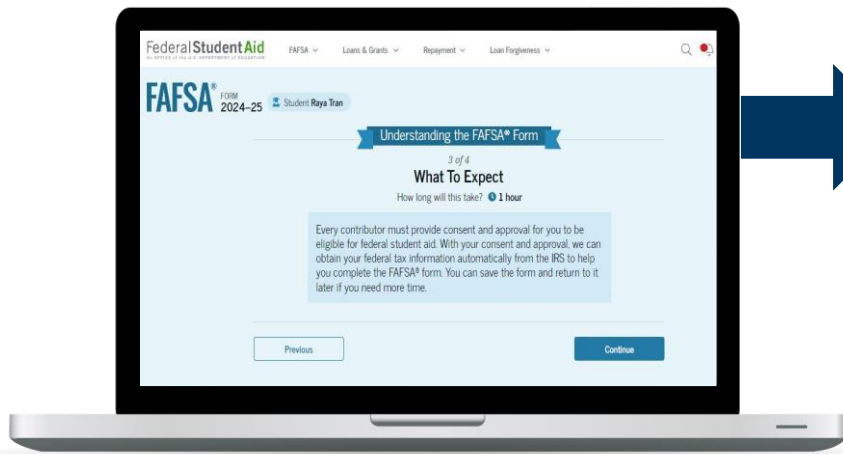
What This Means for Institutions

Impact will vary widely by location and student population, but **in places where farms or small businesses are common, institutions should consider surveying students and parents** to determine the potential impact on your community.

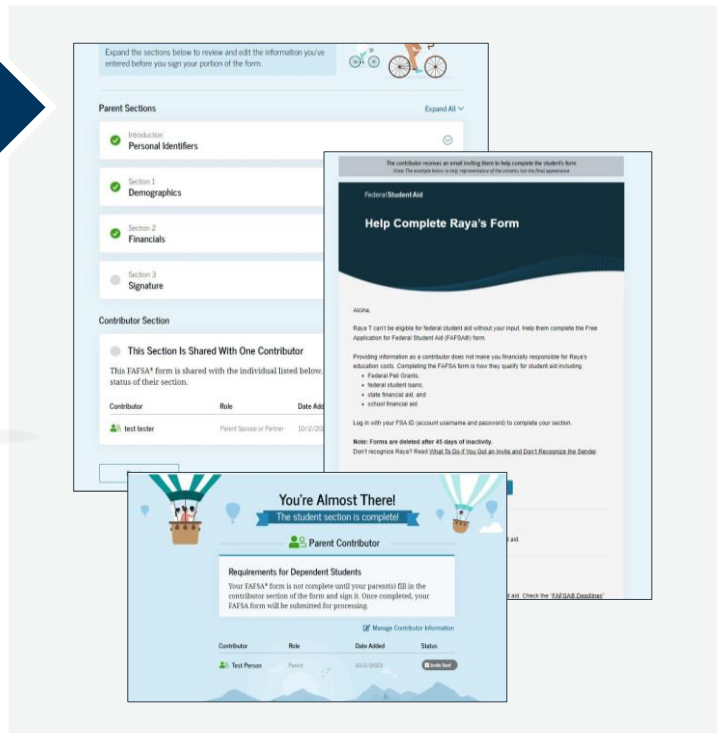
Note: This could be a larger issue for continuing students.

Farm value excludes the value of the home and land that is not used in commercial activities.

Key Considerations for Contributors



- All contributors must provide consent and approval for students to be eligible for aid
- Contributor on new FAFSA may be different person than previous FAFSA
- Students with divorced/separated parents may have more issues with new FAFSA
- US citizen students with undocumented parents could struggle to complete this section
- The FAFSA disappears after 45 days if all contributors haven't completed it



Guiding Principles of FAFSA Communications

Be
Transparent

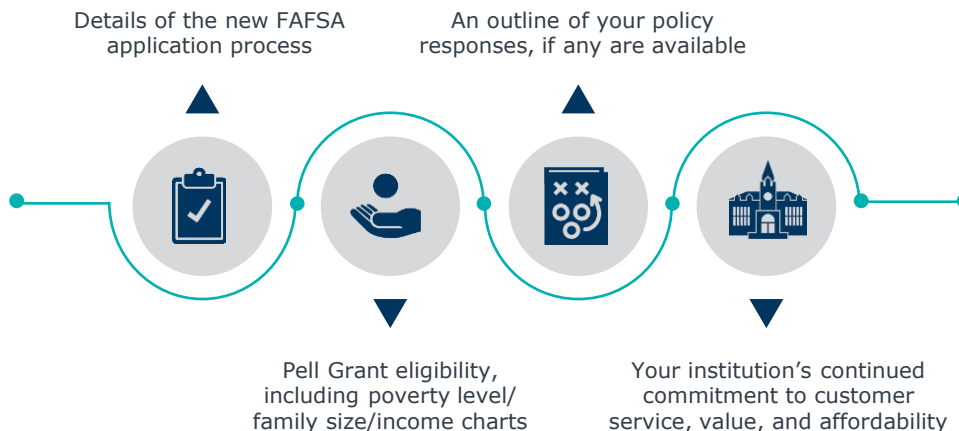
Reduce
Jargon

Be
Flexible

Differentiate
by Audience

Be
Positive

Key Messages to Communicate to Students and Their Families



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Guided Group Strategy Huddle

How Do We Plan Proactive, Strategic Support for Our Staff and Students?

2



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Key Takeaways and Next Steps

What You Can Do to Support Students at Your Institution Now

3



Five Key Takeaways

1

Come equipped with answers

Changing financial aid processes will likely confuse some families; be ready to address their questions

2

Timing a potential stumbling block

The later FAFSA cycle this year will potentially throw off communications in unexpected ways

3

Time-shifting your benchmarks

The later cycle will also throw off your year-over-year comparisons during the admit cycle

4

Increased pressure on students

Student decision-making may be squeezed into a much shorter timeline

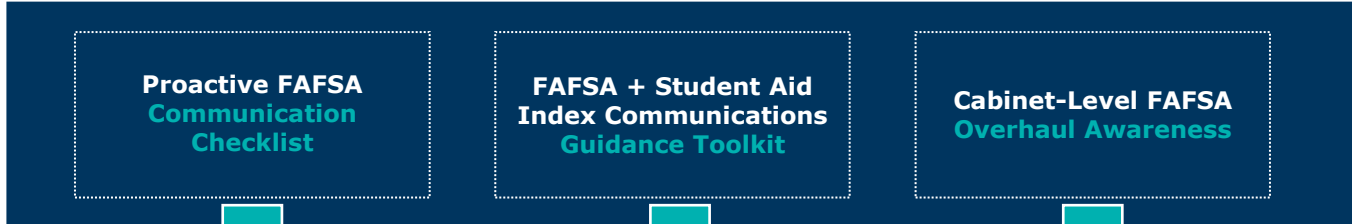
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Don't needlessly complicate communications

Tailoring your messages to particular audiences will help avoid over-explanation and minimize confusion

Preparing for the Simplified FAFSA

A New Suite of Resources to Ensure Your Institution Is Ready



**Proactive FAFSA
Communication
Checklist**

Student Communications

- We have a plan for how we will communicate with students about their plans for housing.
- We have communicated with students and families about our policy/approach to the number of students in college.
- We have communication ready to address parent support questions for divorced parents.
- We have a plan to deal with students who are considering competitors but may not have gotten an aid award from them by April.


University Stakeholder Communications

- We have communicated to relevant stakeholders about time-shifting benchmarks.
- We have talked to our IT Department about mitigating potential impacts of this shift.
- We have talked to our IT Department about protection and labeling processes for FTI data.
- We have communicated with other campus programs that may be impacted by SAI changes.

**FAFSA + Student Aid
Index Communications
Guidance Toolkit**

Submission Resources | **Communication Resources** | Training Toolkit


Submit focused email, SMS and social media content to students on FAFSA filing, priority date awareness and housing content that can be used to enhance your existing communications stream.



FAFSA Email Copy Content

The sample content includes advance notification of potential priority date shifts, email copy and accompanying content. It is designed to be used before your financial aid office through the content could be modified to meet your institution's needs.


[DOWNLOAD THE GUIDE](#)



FAFSA Social Media Content

These examples include platform-specific messaging that is designed to be used before your financial aid office.

[DOWNLOAD THE GUIDE](#)



FAFSA SMS Content

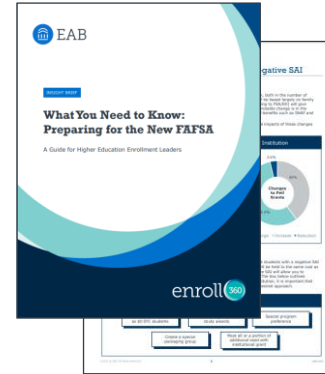
The content includes both responsive and static examples of action-oriented messaging.

**Cabinet-Level FAFSA
Overhaul Awareness**

EAB

**What You Need to Know:
Preparing for the New FAFSA**

A Guide for Higher Education Enrollment Leaders



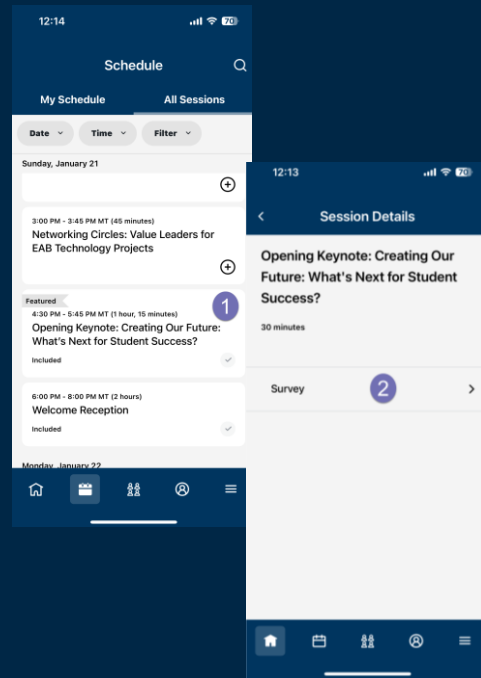
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Stop by the **information desk!**



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Join us tonight for a
CONNECTED Celebration!



Join us at **5:00 p.m. in the Aurora Ballroom B-D** to celebrate with your colleagues and peers.

Bites, drinks, and fun provided



Next Up: Choose Your Own Adventure Time

Followed by our CONNECTED24

Celebration in the Aurora Ballroom B-D at 5:00 p.m.



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