


Federal Financial Aid

Presented by your friendly colleagues at the
Indiana Student Financial Aid Association (ISFAA)



1

Topics of Discussion

- ◆ FAFSA Simplification
- ◆ Federal Student Aid Account
- ◆ FAFSA 2024-25
- ◆ FAFSA Parents
- ◆ Other FAFSA Changes
- ◆ Help available



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2

FAFSA Simplification



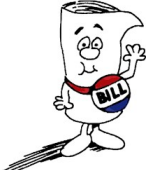
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FAFSA Simplification



FAFSA changes due to:

- ◆ Future Act (passed 12/2019)
 - ◆ Fostering Undergraduate Talent by Unlocking Resources for Education Act
 - ◆ Requires enhanced data exchange between U.S. Dept of Education & IRS
- ◆ FAFSA Simplification Act (passed 12/2020)
 - ◆ Introduces significant changes to the FAFSA




Changes implemented over multiple FAFSA years

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4

2024-25 FAFSA Synopsis




- Calculation output has changed: EFC becomes SAI
- Income interface has changed: IRS DRT becomes FADDX
- FSA ID availability is expanded & required
- Family dynamics: some definitions have changed
- Assets: inclusion vs. exclusion
- Student tracks FAFSA status on dashboard
- Output document renamed: SAR becomes FAFSA Submission Summary

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5

EFC to SAI

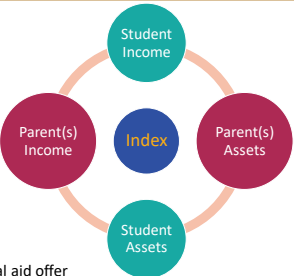


Previous

Expected Family Contribution (EFC)
◆ Ranges from 0 to 999999

Starting 2024-25 FAFSA

Student Aid Index (SAI)
◆ Ranges from -1500 to 999999



Index used by the college to determine the financial aid offer

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6

IRS DRT to FADDX

2023-24 and before

IRS Data Retrieval Tool


- ✦ Tax filer had option to link to IRS to pull tax info into FAFSA
- ✦ Required
 - ◆ FSA ID
 - ◆ Address from appropriate tax year's taxes
 - ◆ Sometimes a little luck



2024-25 and beyond

Future Act Direct Data Exchange (FADDX)

- ✦ Tax information pulled directly from IRS by U.S. Department of Education behind the scenes
- ✦ Required
 - ◆ FSA ID
 - ◆ Consent



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7

Consent is **REQUIRED**

Regardless of whether the student and/or parent(s) filed taxes, consent is required for everyone!

- ✦ NO consent = NO federal or state financial aid eligibility
- ✦ FAFSA will reject & no SAI will be calculated

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.

→ On your 2022 tax return information for the 2022-23 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 perjury, I certify that I am the individual associated with the FSA ID log-in credentials used to access the ISFAA form to provide the necessary approval and consent for the disclosure and use of any federal tax information (FTI) from the U.S. Department of the Treasury. By accepting below, I agree 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 with the purpose of determining my 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 subject 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 34 U.S.C. 101010113) 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.

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8

Federal Student Aid Account


FSA ID



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9

FSA ID Required



Create account at: studentaid.gov

- ◆ Account required & unique to each person/contributor
 - ◆ Person with SSN – confirmed through SSA
 - ◆ Person without SSN – confirmed through new match with credit bureau (available soon)

Alert: FSA ID must be set up & confirmed before filing the FAFSA due to consent requirement

Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to manage the student loan journey.

[Get Started](#)

Already have an account? [Log In](#)

What You Can Use Your Account For

- Filling out the Free Application for Federal Student aid (FAFSA®) form
- Signing your Master Promissory Note (MPN)
- Applying for repayment plans
- Completing loan counseling
- Using the Public Service Loan Forgiveness (PSLF) tool


What You'll Need

- Social Security number
- Your own mobile phone number and/or email address

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10

FSA ID Reminders




FSA ID
2-Step
Verification

Login




Username
Password

Notification



Authenticate

Approve



Access

- Account authenticated each time the FSA ID is used
- Forgot username and/or password?
 - ◆ Access regained through linked email or mobile phone
 - ◆ Challenge questions also an option but access is delayed

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11

FAFSA 2024-25

Getting Started



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12

FAFSA 2024-25

studentaid.gov

For 2024-25 - FAFSA will open sometime in December 2023

13

Continue Roles-Based Process

Individual logs in with FSA ID & identifies their role

- Student (applicant), parent, other parent, or student spouse
 - Each person is considered a "contributor" to the FAFSA application
 - Contributors provide the required information (including consent), sign and submit their individual section

Note: While a student or parent can enter information for the other person, it is **NOT** encouraged due to consent requirement.


14

Personal Circumstances

Required student questions & may determine dependency status

- Student's marital status
- Student College or career school plans
- Other personal circumstances
 - Veteran/active duty
 - Children or dependents being supported
 - Orphan, ward of the court, or foster care
 - Emancipated minor
 - Legal guardianship


15


Other or Unusual Circumstances 

<p>Unaccompanied/homeless youth:</p> <ul style="list-style-type: none"> ✦ High school/district liaison ✦ Director of emergency or transitional shelter ✦ Director of project supported by federal TRIO or GEAR UP grant program ✦ Leader of programs serving those experiencing homelessness 	<p>Unusual circumstances</p> <ul style="list-style-type: none"> ✦ Situations that prevent a student from contacting their parent(s) ✦ Contacting parent(s) pose a risk to the student
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16

Provisional Independent Status 




Once identified as provisional independent student:

- ✦ Continue FAFSA like an independent student
- ✦ No parental questions
- ✦ Receive a provisional SAI & eligibility
- ✦ Instructed to work with college financial aid administrator for final determination.

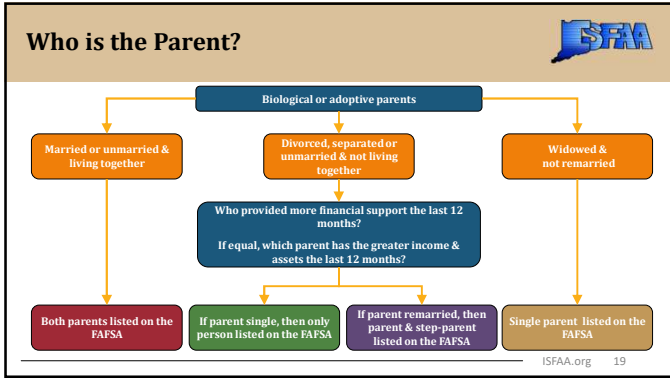
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17

FAFSA Parent(s)
AKA "Contributors"

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18



19

Invite Parent Contributor(s)

Student invites parent(s) to participate in their FAFSA

- ✦ If 2 parents are required, then at least one needs to be invited.
 - ◆ The other may eventually be required but depends on answers to other questions
- ✦ Invite sent via email with link to login (FSA ID) and get started on their section of the student's FAFSA.

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

Parent

First Name:

Last Name:

Date of Birth:

Social Security Number (SSN):

My parent doesn't have an SSN

Email Address:

Confirm Email Address:

Other Parent

First Name:

Last Name:

Date of Birth:

Social Security Number (SSN):

My parent doesn't have an SSN

Email Address:

Confirm Email Address:

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20

Student Section Complete

Confirmation of student section being complete

- ✦ Reminder of other required contributors
- ✦ Date and status of their invitation

FAFSA 2024-25 Student Reply Page

You're Almost There!
The Student Section is complete!

Parent Contributors


Requirements for Dependent Students
Your FAFSA form is not complete until your parents complete the contributor section of the form and sign it. Once completed, your FAFSA form will be submitted for processing.

Parent Contributor	Date Request Sent	Status
Alaina Tran	07/13/2024	Invite Sent Edit <input type="checkbox"/>
Tavin Tran	07/13/2024	Invite Sent Edit <input type="checkbox"/>

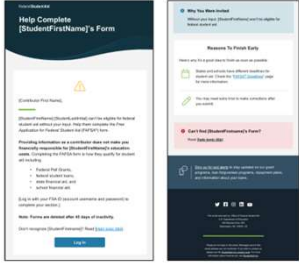
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21

Sample Invitation Email




- ▶ Provides the student's name
- ▶ Indicates the student can't be eligible for federal student aid without this contributor's data
- ▶ Confirms that providing info does NOT make the contributor financially responsible
- ▶ Link to login & get started



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22

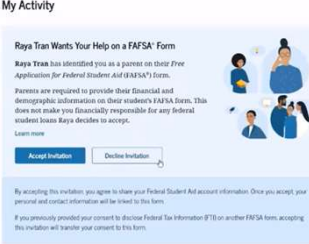
Parent Status Screen



Parent access

- ◆ Clicks link in invitation email
- ◆ Login with FSA ID
- ◆ Taken to "My Activity" page
- ◆ Accept or decline the invitation
 - ◆ If accept, then confirmation of agreeing to share info
 - ◆ If decline, presented an opportunity to reconsider


My Activity



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23

Other FAFSA Changes



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24


FADDX & Contributors 

Marital status & tax filing status still impacts information required

- ✦ Married filing joint 2022 tax return with current spouse
 - ◆ 1 contributor section, 1 consent, & combined tax info transferred via FADDX
- ✦ Married filing separate 2022 tax returns
 - ◆ 2 contributor sections, 2 consents & separate tax info transferred via FADDX
- ✦ Single filing a 2022 tax return with a "single" type tax filing status
 - ◆ 1 contributor section, 1 consent, & tax info transferred via FADDX


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25

FADDX & Contributors 

What if tax information can't be retrieved or individual's situation isn't eligible for FADDX


- ✦ Additional questions displayed to determine if contributor did file a tax return
 - ◆ If yes, income and tax field provided for manual entry by the contributor
 - ◆ If no, then continue to next questions on the FAFSA.



Reminder: Consent is still required even if taxes weren't filed.

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26

Family Size 


Family size determined from individuals claimed on 2022 tax return

- ✦ Option provided to change family size if tax return doesn't reflect current situation
- ✦ Tax return info is protected data & not shown to the contributor

Family Size


Is the parent's family size different from the number of individuals claimed on their 2022 tax return?

Yes No

 The parent's family size is **4**


Parent: 1 Other Parent: 1 Student: 1 Parent's Children and Other Dependents: 1


Enter the number of children or other dependents who live with the parent and will receive more than half of their support from the parent between July 1, 2024 and June 30, 2025? Do not include the student applicant.



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27




Number in College 

No impact on the FAFSA

- ✦ Question is asked on the FAFSA, but its not used in the SAI calculation
- ✦ Schools may elect to consider a family's situation on a case-by-case basis, but this is an individual college's decision.

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28


Changes to Countable Assets 

The following are now counted as assets

- ✦ Child support received in the last complete calendar year
- ✦ Net worth of a business
- ✦ Net worth of a farm
 - ◆ Primary residence still **EXCLUDED**
 - ◆ Includes value of land, building, livestock, unharvested crops, and machinery actively used in farm activities
- ✦ Education savings plans still counted as parental asset but **ONLY** if the account is designated for the student

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29

Miscellaneous Notes 

- Each contributor signs & submits their section. Last contributor to complete also submits the FAFSA form.
 - ✦ Student receives an email when form complete & submitted
- Student can track their application status on the studentaid.gov dashboard under "My Activity" area.
- Contributors can only see their submitted info, unless it is the student, who can see all info.
 - ✦ Data transferred from IRS is protected and no contributor can view it.

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30

Student Confirmation Page Sample 



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31

Miscellaneous Notes 

- ▶ Students can list up to 20 schools to receive their FAFSA data
- ▶ Colleges/Universities required to inform students of opportunities, the process, & required documentation for:
 - ◆ Special circumstances – situations that potentially justify a change to the FAFSA
 - ◆ Unusual circumstances – conditions that potentially change the student's dependency status
 - ◆ Independent determination carries forward to subsequent years unless there is reason to believe the situation has again changed.

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32

Help Available

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33

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- Counselor Workshops
- Financial Aid Information Night
- College Goal Sunday
- State of Indiana Financial Aid



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34


College Goal Sunday 

Date for 2024

- ▶ February 25, 2024
- ▶ Time: 2 – 4 pm (Local Time)

Celebrating over 30 years of helping Hoosier families file the FAFSA!


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35

Questions?

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36
