

October is the New January: An Application Update

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US Department of Education

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Agenda

- 2016-2017 application enhancements
- Application and Verification trends
- Planned application changes for 2017-2018

2

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2016-2017 Application Enhancements



3

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List of Colleges

The ISIR will only list the Federal School Code and associated housing code for the school to which the ISIR is sent.



Changes to Marital Status

When a student or parent changes his or her marital status, and does not change the corresponding status date, an edit displays.

X The following error(s) have occurred:
• You indicated that your marital status has changed. Review both your marital status and your marital status date. Click "OK" if this information is correct.



Rollovers

When an amount greater than \$0 is reported for untaxed portions of IRA distributions or pensions, a message will display.

X The following error(s) have occurred:
• You reported "Parents' Untaxed Portions of IRA Distributions." Review your response and make sure that rollover amounts reported on your parents' IRS tax returns are not included in the amount you reported on your FAFSA. Click "OK" if this information is correct.



Legal Guardianship

Does someone other than your parent or stepparent have legal guardianship of you, as determined by a court in your state of legal residence?

[Previous](#) This is question 25 on the paper FAFSA.

For this question, the definition of legal guardianship does not include your parents, even if they were appointed by a court to be your guardian. You are also not considered a legal guardian of yourself.

Select **Yes** if you can provide a copy of a court's decision that as of today you are in legal guardianship.

Also select **Yes** if you can provide a copy of a court's decision that you were in a legal guardianship immediately before you reached the age of being an adult in your state. The court must be located in your state of legal residence at the time the court's decision was issued.

Select **No** if you are still a minor and the court decision is no longer in effect or the court decision was not in effect at the time you became an adult.

Also select **No** and contact your school if custody was awarded by the courts and the court papers say custody (not guardianship).

Note: The financial aid administrator at your college may require you to provide additional information such as a copy of the court's decision.

[HELP](#) [PRINT](#)

[CLOSE](#)

Other 2016-2017 FAFSA Changes

- Automatic Zero EFC threshold increased to \$25,000
- Tax line references updated in questions about taxes paid
- Text reordered in questions 26, 28, 29, and 30

Excluded from 2016-2017 Selection

If the applicant would have been selected based on standard Verification criteria and...

- Tax return data were retrieved from the IRS and not changed
- Responses to Household Size and Number in College questions are logical

The application will not be selected for verification

Application and Verification Trends



10

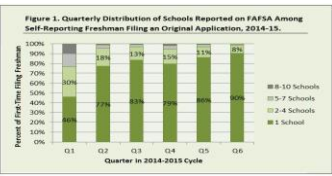
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Schools Listed

79% of applicants list one postsecondary school on their FAFSA

Table 4. Number of Schools Reported on Application, 2014-15.

Schools	Applicants	
	Number	Percent
1	16,240,444	79%
2	1,803,859	9%
3	847,759	4%
4	519,401	3%
5	337,941	2%
6	232,736	1%
7	160,674	1%
8	125,633	1%
9	96,375	0%
10	200,117	1%
Total	20,561,929	100%



11

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Verification Selection

- For the 2014-2015 cycle, approximately 26% were selected for Verification
- As of December 2015 approximately 28% of 2015-2016 applicants were selected

Table 1. Verification Tracking Flag Applicant Volume, 2014-15 Cycle.

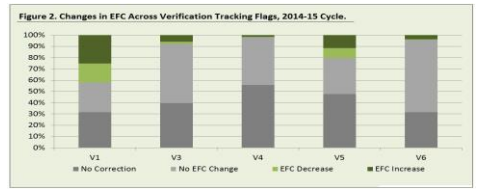
Verif Track Flag	2014-15 Cycle	
	Number	Percentage
V1	4,523,508	22.0%
V3	68,495	0.3%
V4	417,852	2.0%
V5	110,786	0.5%
V6	220,450	1.1%
No Flag	15,220,838	74.0%
Total	20,561,929	100.0%

12

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Verification and EFC Changes

For Tracking Group V1, 42% had corrections that led to a change in EFC



13



Tracking Group Changes

- Once a record is selected for Verification...
 - Verification selection (*) will not be removed even if the reason for selection no longer exists
 - Verification selection reason can only change if the record moves from Tracking Groups V1,V4, or V6 to V5

14



Tracking Group Changes

----- 2010-2017 -----			
FAA INFORMATION	99999999	SPS Pushed ISIR Flag	XXX
Date ISIR Received	MM/DD/CCYY	Rejects Met:	99,99,99,99,99,99
Verification Flag	Y	Verification Tracking Flag	V5
Professional Judgment	XXXXXX	Dependency Override	XXXXXXXXXXXXXXXXXXXX
Transaction Receipt Date	MM/DD/CCYY	ETI	9
Reprocessing Code	XX	Correction # Applied To	99
Processed Record Type	X	Application Receipt Date	MM/DD/CCYY
Fell Elig Flag	X	Intermediate Values	
Auto Zero EFC Flag	XXX	Rejected Status Change Flag	X
EFC Change Flag	XXXXXXXX	Verification Selection Change Flag	C
SNT Flag	XXX	Special Circumstance Flag	X
		Duplicate SSN Flag	XXX
		Address Only Correction	X
		SAR C Change Flag	X

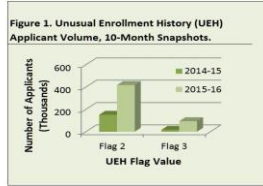
15



Unusual Enrollment History

Table 1. Unusual Enrollment History (UEH) Applicant Volume, 2014-15 Cycle.

UEH Value	2014-15 Cycle 18-Month Total	
	Number	Percentage
Flag 2	167,398	0.8%
Flag 3	20,365	0.1%
No Flag	20,374,166	99.1%
Total	20561929	



16



Planned Application Changes for 2017-18

17

Draft 2017-2018 FAFSA

Comments due May 31, 2016
Federal Register: March 28, 2016

18

General 2017-2018 Updates

- States will receive on the ISIR the list of schools to which the student is applying in *random* order
Electronic Announcement: January 8, 2016
- The pre-printed FAFSA will no longer be available
 - The PDF FAFSA will still be available for download
- Medicaid will be included as a means-tested benefit

19

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Verification 2017-2018

Deadline dates and required Verification items expected to be published April 2016

20

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Higher Education Amendments of 2008

- The Higher Education Opportunity Act (HEOA) required the Department to...
 - Collaborate with the IRS to allow for importing of tax information into the FAFSA (IRS Data Retrieval Tool)
 - Report to Congress on the status of FAFSA simplification efforts
 - Create a study group – with Congress, multiple Federal agencies, and other constituencies – to work toward making the FAFSA easier and faster to complete

Dear Colleague Letter GEN-08-12

21

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Progress 2008-2016

- ✓ IRS Data Retrieval Tool (DRT)
- ✓ FAFSA question skip logic
- ✓ Reduction in FAFSA completion time by two-thirds
- ✓ *FAFSA cycle open October 1 instead of January 1*
- ✓ *Use of prior-prior year financial data*

22



FAFSA Open October 1

IF YOU PLAN TO ATTEND COLLEGE FROM	YOU CAN SUBMIT THE FAFSA FROM	USING TAX INFORMATION FROM
July 1, 2015–June 30, 2016	January 1, 2015–June 30, 2016	2014
July 1, 2016–June 30, 2017	January 1, 2016–June 30, 2017	2015
July 1, 2017–June 30, 2018	October 1, 2016–June 30, 2018	2015
July 1, 2018–June 30, 2019	October 1, 2017–June 30, 2019	2016

Electronic Announcement: September 14, 2015

23



Prior-Prior Year

- 2017-2018 FAFSA will collect tax year 2015 income data
 - Other data, such as household and asset information, will be *current / projected*

Electronic Announcement: March 18, 2016
- Reduces the use of estimated income and is expected to increase the use of the IRS Data Retrieval Tool

24



Early FAFSA Resources

- [IFAP Early FAFSA Information Page](#)
- [Dear Colleague Letters](#)
- [Electronic Announcements](#)
- [Q & A documents](#)
- [Webinars and other training](#)
- [Other resources](#)

[EarlyFAFSAFeedback@ed.gov](#)

25



Early FAFSA Resources

Information for Financial Aid Professionals (IFAP)

The information for Financial Aid Professionals (IFAP) Web site consolidates guidance, resources, and information related to the administration and processing of Title IV Federal student aid into one online site for use by the entire financial aid community.

The most recent postings to the site are listed in the **What's New** section.

Tools for Schools
Click on this box to access online and computer-based training resources.

Worksheets, Schedules, & Tables
Click on this box to access worksheet, schedule, and table resources.

Publications
Click on this box to access program-related and processing-related publications.

Processing Resources
Click on this box to access program and system processing information and materials.

Hot Topics

- [Program Integrity Information - Questions and Answers](#)
- [Federal Student Aid Data Center](#)
- [Debarment Assistance](#)
- [Security Procedures - SOG's Data Protection](#)

Information Pages

- [Early FAFSA](#)
- [SIR/M Enrollment](#)
- [ISIR Data Submission \(ISIRI\) API](#)
- [Campus Based Programs](#)
- [Default Prevention](#)
- [Transfer Schools](#)
- [Loan Services and Collections](#)
- [ISIRI Reporting](#)

Letters & Announcements

Policy and

26



Issues

- How will students know about these changes?
 - Email campaign to FAFSA renewers, websites and social media, outreach to schools and partners, fact sheets for counselors and applicants
- May Professional Judgment be exercised more often?
 - This is possible given that one year or longer may have passed between 2015 and the FAFSA filing date
 - School eligibility will not be at risk if proper documentation is retained
 - Professional Judgment flag should be set on the ISIR

[Dear Colleague Letter GEN-16-03](#)

27



Issues

- Will systems be ready to accommodate the changes?
 - Department systems will be ready, and we are working actively with software providers to facilitate their providing updates to schools

- Will states be changing deadlines for their aid programs?
 - A number of states are expected to shift financial aid application deadlines, most by simply *allowing*, but not requiring, applications to be submitted earlier

28



Issues

- How are responsibilities for performing Verification and resolving conflicting information impacted?
 - The Verification process will stay largely the same, and some documentation (e.g., tax return transcripts) will be able to be used for 2016-2017 and 2017-2018
 - The Department is working to systematically identify applications that contain conflicting information between 2016-2017 and 2017-2018, and flag for resolution only those where student eligibility is likely to be impacted

Dear Colleague Letter expected in spring or early summer 2016

29



Other Issues

- Pell award schedules and Campus-Based awards

- Monitoring Pell Lifetime Eligibility and Direct Loan aggregate limits on NSLDS and the ISIR

30



Issues

Are we expected to award financial aid earlier?

31

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Thank you!

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32

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We Appreciate Your Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation:

<https://www.surveymonkey.com/s/ZacharyGoodwin>

This evaluation tool provides a means to inform us of areas for improvement, and to support an effective process for listening to our customers.

Additional feedback about training can be directed to Joann.Borel@ed.gov.

33

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34



Department of Education Contacts

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Reach FSA
855.FSA.4FAA -- 1 number to reach 10 contact centers!

Campus Based Call Center	eZ-Audit
COD	School Eligibility Service Group
CPS/SAIG	Foreign Schools Participation Division
NSLDS	Research and Customer Care Center
G5	Nelnet Total & Permanent Disability Team

35



36

