2024-25 FAFSA/ORSAA Deep Dive

FAFSA/ORSAA December Training

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2024-25 MAJOR FAFSA/ORSAA CHANGES

- An FSA ID (account username and password) required to access and sign the FAFSA form

  - Users without a Social Security number will be able to create an FSA ID and access the FAFSA form

- Introduction of contributors to the FAFSA form

  - Contributors = Student, Parent, Parent Spouse, and Student Spouse

  - Contributors must provide the required information and sign their respective section for a FAFSA form to be considered complete

- The general look and feel of the FAFSA form – less questions to answer

- Integration to allow users' federal tax information to be retrieved and transferred directly into the FAFSA form via IRS Direct Data Exchange (DDX), replacing the IRS Data Retrieval Tool

- Replacement of the Expected Family Contribution (EFC) with the Student Aid Index (SAI)

- Required consent from users to

  - retrieve and disclose federal tax information,

  - be eligible for federal student aid, and

  - be eligible to receive an SAI.

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HEADS UP! More Changes

- Students with Undocumented parents:

  - When a student is on the "Invite Parent(s) to This FAFSA Form®" webpage, the student will check the "My parent doesn't have an SSN" box. The student will enter the parent's mailing address instead. Once these parents create their FSA ID, they will experience the same FAFSA application process that parents with Social Security numbers experience.

- If a student or required contributor doesn't provide consent and approval on the FAFSA Form, the student will not be eligible for federal student aid and any aid that requires the FAFSA. Contributors will have two opportunities to provide consent

- Reduction of untaxed income items, most data will be transferred via the FA-DDX. Foreign income must be entered manually.

- Students under age 24 who are separated/divorced will no longer be considered independent and should not indicate they are separated on the FAFSA. Unless independent by a criterion other than marriage, they will be considered dependent students.

Key Features – STUDENTAID.GOV

- Students, parents, and preparers may begin, complete, and submit a new FAFSA form for the 2024–25 FAFSA processing cycle.

- Dependent students must invite their parent(s) to contribute to their form if parent information is required.

- Independent students and a dependent student's parent must invite their spouse to contribute to the student's form, only if spouse information is required (filed taxes separately)

- Students and contributors must provide consent to retrieve and disclose federal tax information from the IRS for the student to be eligible for federal student aid.

- Students no longer need to take additional action to start a renewal FAFSA application (starting 2025-26 FAFSA).

- After the FAFSA form is processed, students can correct or update their application. Contributors are able to correct or update only their sections of the student's application.

ISSUES & DELAYS

- FAFSA and ORSAA available by December 31, 2023

- Colleges and state agencies will be able to download FAFSA records at the end of January 2024

- Students will be able to start making corrections at the end of January

- Colleges will be able to start making corrections a few weeks after students in February 2024

- Students will not have access to their FAFSA Submission Summary (FSS) until end of January

  - ORSAA students will have access to retrieve SAI once parent e-signs the ORSAA application (or after student signs if independent student).

FAFSA: Contributors & FSA ID

A contributor is anyone who is required to provide information on the FAFSA

- Every contributor will need an FSA ID to access the FAFSA – if they already have one, great!
- Every contributor must provide consent
- All individuals must set up at least one form of multi-factor authentication

Types of contributors

- Students: All students who are filling out the FAFSA must have an FSA ID
- Parents: Parents and/or stepparents who are required to be listed on the FAFSA
  - If parent/parent spouse filed taxes jointly, only one parent will need an FSA ID
  - If parent/parent spouse filed taxes separately (including if they did not file), both parents/parent spouse will need individual FSA IDs
- Student Spouse: Only if student and their spouse filed taxes separately

Undocumented Parents

- Must create FSA ID. There will be no more paper signatures. They cannot make an FSA ID prior to the 2024-25 FAFSA release date.
- Parent(s) will have the opportunity to confirm they don't have a social security number when applying for an FSA ID and completing the FAFSA. Zeroes will not be used in lieu of the SSN

Student

Parent(s)

Spouse

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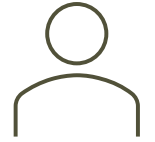
FAFSA: FSA ID Information & Troubleshooting

- What info do I need to create an FSA ID?
  - Full name and SSN, as they appear on social security card (if applicable)
  - Date of birth
  - Valid email address & phone number (no foreign phone numbers)
  - Immediate access to your email account for verification
  - Your residential address (even if a foreign address)
- Multi-Factor Authentication Required (2-Steps)
  - Text
  - Email
  - Authenticator App
- Can I edit my FSA ID?
  - Yes. If your personal information changes or is updated, log in at studentaid.gov and select "settings" under your account information.
- What if I forget my FSA ID?
  - Username retrieval or password reset: secure code sent to your phone/email or answering challenge questions (30-minute delay). **DO NOT CREATE MULTIPLE ACCOUNTS.**
- What if I do need help?
  - Contact the Federal Student Aid Center: https://studentaid.gov/help-center/contact

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FAFSA: Undocumented Parents: FSA ID and Application Process

- Undocumented Contributor will be allowed to apply for an FSA ID without an SSN.
- Required fields: unique email address, date of birth, full name and an address (foreign or local).
- Email must be verified during the account set-up process.
- Two-Step Verification required for all FSA ID accounts (email, phone number (if US), free Authenticator App)
- Identity Verification required: generated by credit bureau, no credit history is required, and credit will not be checked
  - If Contributor can answer verifying questions, correctly, account will be immediately created
  - If Contributor is unable to verify questions, they will be prompted to contact FSA and will have to submit supporting documents: Attestation Form, Proof of Identity or Utility Bill and ID
- Contributor who creates an FSA ID without an SSN will have their SSN grayed out on FAFSA form and will not be required to use it. Contributor will be asked if they have an ITIN and want to use it so information from IRS can be transferred automatically.

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FAFSA and ORSAA: Dependency Status

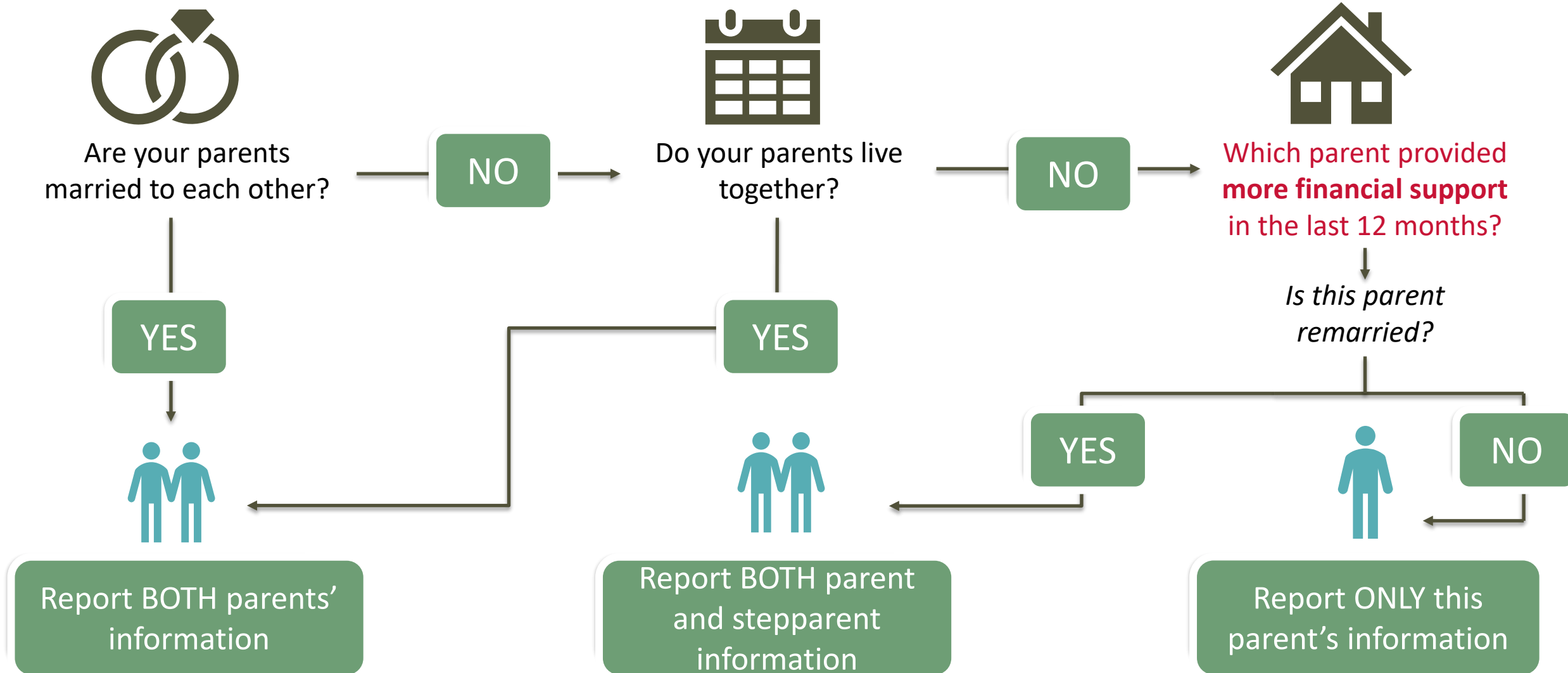|		
Age 24 by January 1 of award year	Married	Graduate student – working on master's or doctorate degree
Active duty in the U.S. armed forces or are a veteran	Since age 13 – had no living parent, were in foster care, or were ward of the court	Emancipated minor
Court-ordered legal guardian	Have children or dependents who live with student and receive more than half their support from the student	Unaccompanied youth who is homeless

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FAFSA and ORSAA: Who's the Parent?

Are your parents married to each other? → **NO** → Do your parents live together? → **NO** → Which parent provided **more financial support** in the last 12 months?

YES ↓

YES ↓

Is this parent remarried?

YES / **NO**

Report BOTH parents' information

Report BOTH parent and stepparent information

Report ONLY this parent's information

FAFSA and ORSAA: Not Financial Aid Parents

Unless they have legally adopted the student

Grandparents   Foster Parents   Legal Guardians   Older Siblings   Other Family   Widowed Stepparent

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Parent Wizard Questions

- ARE YOUR PARENTS MARRIED TO EACH OTHER?

  - If yes, provide information about both parents

  - If no, next question

- DO THE PARENTS LIVE TOGETHER?

  - If yes, provide information about both parents

  - If no, next question

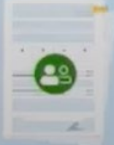- DID ONE PARENT PROVIDE MORE FINANCIAL SUPPORT THAN THE OTHER OVER THE PAST 12 MONTHS?

  - If both parents provided an exact equal amount of financial support or if they don't support the student financially, select "No," and refer to the parent with the greater income or assets in the next question.

  - Yes or No, next question

- HAS THE PARENT YOU IDENTIFIED IN THE PREVIOUS QUESTION REMARRIED?

  - If yes, provide information for the parent and stepparent

  - If no, provide information about this parent only

Are the parents married to each other?
○ Yes   ◉ No

Do the parents live together?
○ Yes   ◉ No

Did one parent provide more financial support than the other parent over the past 12 months?

If both parents provided an exact equal amount of financial support or if they don't support the student financially, select "No," and refer to the parent with the greater income or assets in the next question.

○ Yes   ◉ No

Has the parent you identified in the previous question remarried?

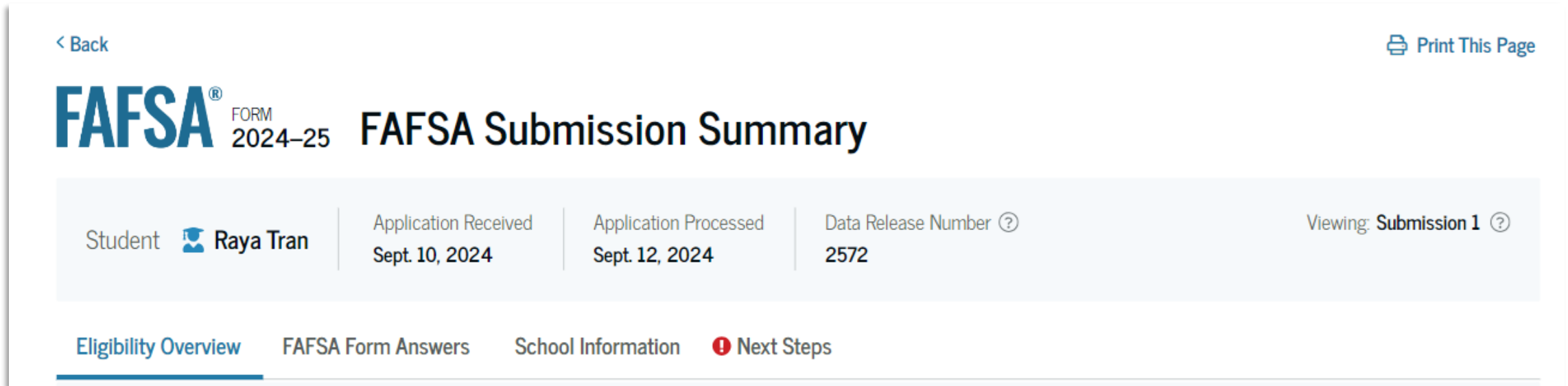*Remember, this applies to the parent with the greater income and assets.*

○ Yes   ◉ No

Provide Information for This Parent Only
Based on your answers in the previous section, you'll need to provide information about only this parent on the FAFSA® form. You can invite this parent to the form and have them complete their required sections.

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FAFSA Submission Summary Landing Page

The student receives a FAFSA Submission Summary for their processed FAFSA® form and any subsequent corrections that they submit. The FAFSA Submission Summary is broken into four tabs: **Eligibility Overview, FAFSA Form Answers, School Information, and Next Steps**.

At the top, the student will see information about when their form was received and processed. They also have the option to print their FAFSA Submission Summary to keep for their records.

Impact of Provisionally Independent Status

- Based on the answers provided by the student, they are considered a provisionally independent student and are not required to provide parent information

- The student is able to sign and submit their FAFSA® form, but they will need to contact their school to see what supporting documentation they need to submit

- A financial aid administrator at the school will review and make a determination regarding a dependency override

- Until the student's circumstances are verified, Federal Student Aid will only provide the student an estimate of their federal student aid eligibility. ORSAA students would not receive any aid estimates until provisional status is resolved.

Unusual Circumstances & Special Circumstances

Unusual Circumstances	Special Circumstance
• A dependent student may indicate that they are unable to contact their parent(s) due to an unusual circumstance • This will allow student to submit FAFSA/ORSAA with a "provisional independent" status • FAA will determine whether student is eligible for dependency override or not	• A dependent student completes the FAFSA and indicates they have a special circumstance • FAFSA calculates a provisional SAI • Student/family provide documentation to FAA that could lead to a change in the data elements on the FAFSA (tax, income, etc.) • FAA will approve or deny request

FAA = Financial Aid Administrator at College Financial Aid Office

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Student Aid Index (SAI) vs. EFC

SAI will replace Expected Family Contribution

New SAI formula may result in student receiving a negative SAI

Change in formula is expected to **increase** the number of Pell Grant recipients

Used to determine eligibility for federal financial aid

EFC	SAI
• Household size reported by student applicant • Number in college impacts EFC • Businesses and farms with fewer than 100 employees not counted as an asset • Lowest EFC is 0	• Family size automatically calculated based on tax forms • Number in college no longer considered in SAI • Businesses and farms of any size counted as an asset • Lowest SAI is -1500

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Pell & Enrollment Intensity

Pell Grant will be determined in three steps:

1. Maximum Pell Grant – A student **may** qualify for a maximum Pell Grant based on on family size, AGI, poverty guidelines, and tax filing status. A student qualifying for maximum Pell Grant will also have an SAI between -1500 and 0.

2. Calculated Pell Grant – A student **may** qualify for Pell if their SAI is less than the maximum Pell Grant award amount for the award year.

3. Minimum Pell Grant – A student whose SAI is greater than the maximum Pell Grant award for the year **may** still be eligible based on family size, AGI, and poverty guidelines.

Enrollment Intensity is the percentage of full-time enrollment at which a student is enrolled, rounded to the nearest whole percent. For example, if full-time enrollment is 12 credit hours and the student is enrolled in 7 hours, the enrollment intensity would be 7 ÷ 12 × 100% = 58%. The Pell Grant must be prorated according to the student's enrollment intensity rounded to the nearest whole percent.

Credit Hours	Enrollment Category (Old)	Enrollment Intensity (New)
12 (or more)	Full-Time	100%
11	Three-Quarter Time	92%
10		83%
9		75%
8	Half-Time	67%
7		58%
6		50%
5	Less-than-Half-Time	42%
4		33%
3		25%
2		17%
1		8%

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Case Studies

Case Studies- Jeremy

A college access advisor assists Student Jeremy and his mother at a FAFSA workshop. Jeremy's parents have been separated for a year.

While attempting to answer the Parent Wizard questions for separated parents, the mother indicates that each parent provides and equal amount of support for Jeremy, and their shared custody agreement means that Jeremy lives an equal amount of time with each parent.

How should the advisor guide them in completing the FAFSA? What types of questions might the advisor ask to determine which parent's financial information belongs on the FAFSA? What is the rationale?

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Case Studies

Case Studies- Sarah

Student Sarah is dependent and lives with both biological parents, who live together but are not married.

Sarah's parents do not file taxes because their income is below the tax filing threshold.

How many FSA IDs must be set up so Sarah can file her FAFSA? WHY?

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Suggestion: FSA ID Night

- If you have any financial aid nights this month, turn them into FSA ID & ORSAA Student Username & Password nights

- OSAC Student Portal – Oregon Promise & OSAC Scholarship Application are now open (they can complete these apps over break!)

- Get ready to schedule FAFSA/ORSAA workshops in 2024 since deadlines will be coming up fast for financial aid.

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5 FAFSA Toolkit & FSA Resources

1   OSAC: https://oregonstudentaid.gov/fafsa-orsaa/2024-25-fafsaorsaa-changes/

2   NCAN Better FAFSA: https://www.ncan.org/page/better-FAFSA

3   uASPIRE Resources: https://www.uaspire.org/For-Students

4   FSA FAFSA Simplification Website: https://financialaidtoolkit.ed.gov/tk/announcement-detail.jsp?id=better-fafsa-better-future

5   FSA Financial Aid Toolkit: https://financialaidtoolkit.ed.gov/tk/resources.jsp

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Questions?

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