

BETTER FAFSA, BETTER FUTURE

Financial Aid for 2024 – 2025

Big changes have been made to the Free Application for Federal Student Aid (FAFSA) application for the 2024-2025 aid year!

The FAFSA Simplification Act was passed by Congress in 2020 and includes the first major redesign of the FAFSA system in over 40 years. A better FAFSA means a better future and will offer families an improved interface and seamless filing experience. Updates to the FAFSA will reduce errors, remove barriers, and expand student eligibility for federal aid. It will mean changes in terminology, and many policies and procedures for schools that participate in federal student aid programs.

2024-2025 FAFSA IS NOW OPEN AND AVAILABLE TO YOU!

Historically, the FAFSA has been available beginning October 1st each year. This year it was December 31, 2023. Now open and available to you to complete and submit.

WHAT'S CHANGING WITH THE 2024-25 FAFSA?

THE FAFSA WILL BE SHORTER AND MORE USER-FRIENDLY - The FAFSA will reduce the maximum number of questions from 108 to 46. And because the FAFSA on the Web is dynamic, some students won't even be presented with all 46 questions. The streamlined format will simplify the application process and make it less daunting for students and their families.

THE FAFSA WILL BE AVAILABLE IN MORE LANGUAGES – Currently, the FAFSA is only available in English and Spanish. The 2024-25 application will be expanded to include the 11 most common languages spoken by English learner students and their parents.

A PRINTABLE FAFSA SIGNATURE PAGE WILL NO LONGER BE AVAILABLE -

Parents will no longer be able to sign a student's FAFSA by printing out a signature page and mailing it into the FAFSA office. Both students and parents must create a Student Aid Account to get an FSA ID before completing the FAFSA. Allow at least three days because in the new process, the Social Security Administration will require verification of FSA IDs before tax information can be accessed.

APPLICANTS WILL BE REQUIRED TO USE THE IRS DATA EXCHANGE

Previously, users had the option to enter their tax information manually or use the IRS Data Retrieval Tool. Beginning with 2024-25, **all persons on the FAFSA must provide consent for the Department of Education to receive tax information or confirmation of non-filing status directly from the IRS.** This change makes it easier to complete the FAFSA and reduces the number of questions to be answered.

ALL "CONTRIBUTORS" MUST PROVIDE FINANCIAL INFORMATION

A contributor—a new term being introduced on the 2024-25 FAFSA—refers to anyone who is required to provide information on a student's form (such as a parent/stepparent or spouse). A student's or parent's answers on the FAFSA will determine which contributors (if any) will be required to provide information.

Contributors will receive an email informing them that they've been identified as such and will need to log in using their own FSA ID to provide the required information on the student's FAFSA. Students and parents must log in to the FAFSA separately to complete each of their respective sections.

Being a contributor does not mean they are financially responsible for the student's education costs, but it *does* mean the contributor must provide information on the FAFSA or the application will be incomplete, and the student will not be eligible for federal student aid.

THE STUDENT AID INDEX (SAI) IS REPLACING THE EXPECTED FAMILY CONTRIBUTION (EFC)

A notable terminology update within the new FAFSA is **the replacement of the term Expected Family Contribution (EFC) with the Student Aid Index (SAI)**. This name more accurately describes the number used to determine aid eligibility and, unlike the EFC, the SAI may be a negative number down to -1500. Although, a negative SAI does not mean a student will receive more aid.

SAI CALCULATION DIFFERENCES

Previously, the FAFSA calculated the number of household members attending college into the EFC, dividing it proportionately to determine federal aid eligibility. Beginning with the 2024-25 FAFSA, the application will still ask how many household members are in college, but your answer will not be calculated into the SAI. As such, undergraduate students with siblings in college may see a change in their federal aid eligibility.

The net worth of a business is no longer limited to those with more than 100 full-time employees. Applicants will be asked to report the net worth of all businesses, regardless of the size of business.

The net worth of a farm now includes the value of a family farm, however; the value of a family's primary residence is still excluded.

Child support received will be reported as an asset on the FAFSA instead of as untaxed income.

THE PARENT RESPONSIBLE FOR SUBMITTING THE FAFSA IN CASES OF DIVORCE OR SEPARATION HAS CHANGED.

For dependent students, financial information was previously needed from the parent(s) the student lived with the most in the last 12 months. With the new FAFSA, financial information will be required from the parent(s) who provided the most financial support to the student.

SOME STUDENTS WILL AUTOMATICALLY BE AWARDED A PELL GRANT

Families making less than 175% and single parents making less than 225% of the federal poverty level will see their students receive a maximum Federal Pell Grant award. Minimum Pell Grants will be guaranteed to students from households below 275%, 325%, 350%, or 400% of the poverty level, depending on household structure. Pell awards between the maximum and minimum amounts will be determined by SAI.