

# Federal Aid Updates

# The FAFSA 2024-25 Is Changing

Why is it changing?

- Consolidated Appropriations Act, 2021:
  - [The Future Act](#)
  - [The FAFSA Simplification Act](#)
- Consolidated Appropriations Act, 2022:
  - [The FAFSA Simplification Technical Corrections Act](#)

Federal Student Aid

A better FAFSA® process means a better future for everyone.

AWARD  
YEAR  
2024-2025

Full implementation is right around the corner.

40 years since the last major changes to FAFSA®

Congress passed the FUTURE Act and FAFSA® Simplification Act, making it easier to apply for federal student aid ensuring more people can qualify.



Connecting more people with more funds.

Streamlining application questions.

Developing a better user experience.

930,000

additional Pell Grant award recipients (estimated).



Connecting over 7 million students with more than \$114 billion in aid.



Knowledge Center



Training Center



Financial Aid Toolkit



FSA Partner Emails



Customer Service Center

The support you need and deserve. Now and in the future.

**BETTER  
FAFSA®**  
BETTER FUTURE

[financialaidtoolkit.ed.gov/bfbf](https://financialaidtoolkit.ed.gov/bfbf)

# **To Whom Is This Important?**

- Students, Parents and Spouses
- Secondary Counselors and Community Partners
- Post-secondary Staff in Admissions, Federal Aid, Scholarships, Development, etc.
- Scholarship Organizations
- Software for Higher-Education Companies
- State Agencies

## FAFSA® Simplification Implementation Timeline

- Repeal of Subsidized Usage Limited Applied (SULA) calculation
- Removal of negative consequences associated with drug convictions or failure to register for Selective Service

- Comments on applicant's Student Aid Report (SAR) updated to make it clear that they are now eligible for federal student aid regardless of how they answered FAFSA questions on drug convictions and Selective Service

- Removal of drug conviction and Selective Service FAFSA questions
- Addition of demographic survey
- Expansion of Pell Lifetime Eligibility Used (LEU) restoration
- Extension of Pell Grant eligibility to incarcerated students
- Carry over of responses to homeless & unaccompanied youth questions
- Changes to Cost of Attendance
- Expansion of professional judgment
- Adjustments for applicants who cannot provide parental info
- Expanded acceptable documentation for unaccompanied/homeless youth

- Modified FAFSA form to include the remaining FAFSA Simplification provisions
  - Includes provisional independent student determination
- Provide tool for estimating student aid eligibility
- Expanded accessibility of FAFSA forms to 11 most common languages
- Calculation of Student Aid Index (SAI) replaces Expected Family Contribution (EFC)
- Changes to Pell Grant eligibility formula
- Changes to verification selection criteria
- Direct Data Exchange to import Federal Tax Information (FTI) for FAFSA, IDR and TPD forms
- Re-engineered FAFSA processing systems

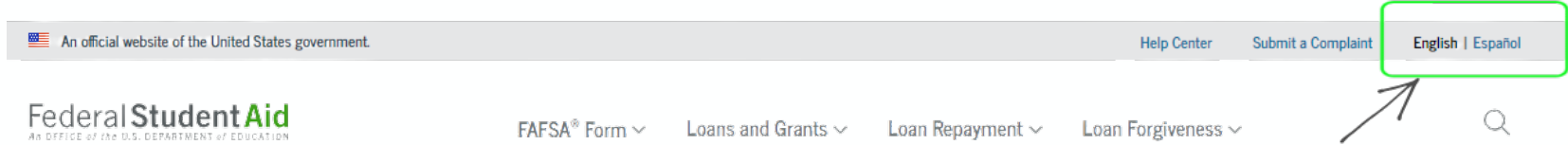
Award Year 2021-2022

Award Year 2022-2023

Award Year 2023-2024

Award Year 2024-2025

# Federal Aid Accessibility



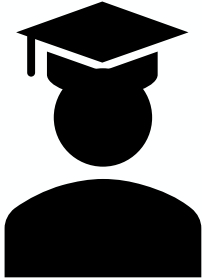
FAFSA 2024-25 will be available in additional 11 languages:

- English
- Spanish
- Chinese
- Tagalog
- Vietnamese
- French
- Arabic
- Korean
- Russian
- German
- Haitian
- Hindi

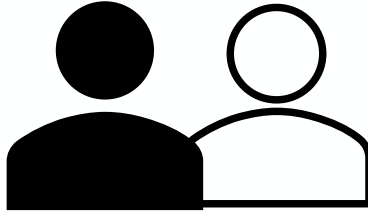
# 2024-25 FAFSA: Why Simplification?

- Families with the lowest income have the fewest questions to answer
- Roles-based completion
- Multi-factor authentication
- Consent to transfer tax data
  - Direct Data Exchange (DDX)

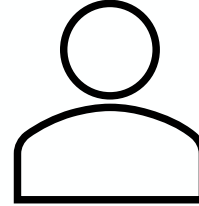
# **Contributors Within the 2024-25 FAFSA**



**Student**



**Parent and  
Parent Spouse**



**Student  
Spouse**

**Contributors &  
Federal Student Aid Identification (FSA ID)**



# Other Changes - 2024-25 FAFSA



**Release to  
more Schools**



**Required  
Survey**



**Federal  
Work-Study  
Reporting**

# **Student Aid Index (SAI)**

**REPLACING**

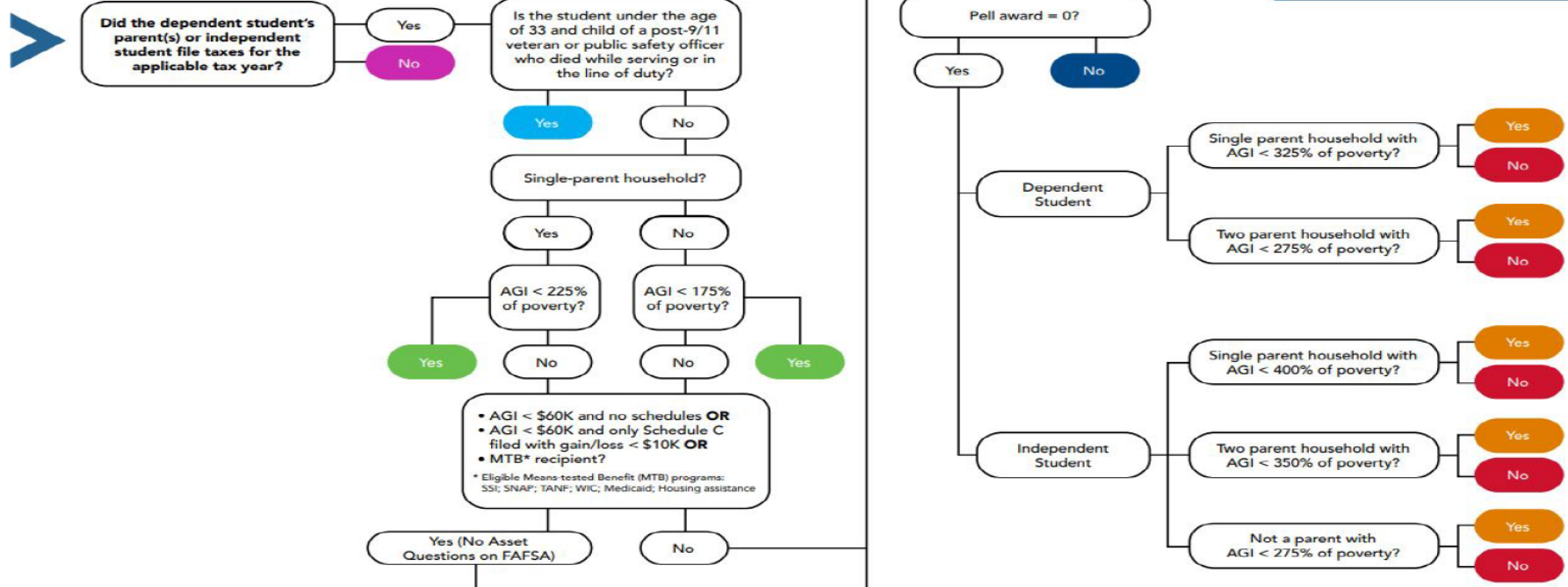
## **Expected Family Contribution (EFC)**

- SAI expands Pell grant eligibility: family size & federal poverty level.
- SAI can get up to negative \$1500 showing highest need students.
- Relies on Direct Data Exchange (DDX).
- More accurately target need-based aid.

# FEDERAL METHODOLOGY STUDENT AID ELIGIBILITY DETERMINATION EFFECTIVE 2024-25 FAFSA

[https://www.nasfaa.org/fafsa\\_simplification](https://www.nasfaa.org/fafsa_simplification)

This tool is intended to help FAAs visualize how eligibility for Pell grants and other aid will be determined under the provisions of the 2021 Consolidated Appropriations Act. This is not a representation of the applicant experience or actual FAFSA questions.



**Maximum Pell:**  
Auto -1,500 SAI - Other aid types based on SAI.  
No Asset Questions on FAFSA.

**Maximum Pell:**  
Auto 0 SAI - Other aid types based on SAI. No asset questions on FAFSA.

**Maximum Pell:**  
Other aid types based on SAI.

**Pell Amount Stays at Calculated Amount:**  
Other aid types based on SAI.

**Minimum Pell:**  
Other aid types based on SAI.

**No Pell:**  
Other aid types based on SAI.

# Starting FAFSA 2024-25, Pell paid per Credit.

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
7	58%	
6	50%	
5	Less-than-Half-Time	42%
4		33%
3		25%
2		17%
1		8%

Reflective of a Standard Term Program

# Additional Operational Changes

- Cost of Attendance (COA) revised components.
- Consumer Information new requirements.
- New categories for Professional Judgement Appeal processes.
- New documentation required for Verification and Appeals.

# **Additional Operational Changes**

- FAFSA 2024-25 will start December 2023, and close on June 30<sup>th</sup>, 2025.
- USHE planning for FAFSA Nights, coordination with Federal Student Aid (FSA), high schools, and higher education institutions.
- FSA & USU Outreach.
- FSA reaching out to students with step-by-step FAFSA completion before it opens.



**File the** *Simplified*  
**FAFSA®**



# Thank You

Thank You Community