

Dear Colleagues,

Some major changes are coming to the FAFSA application for the 2024-2025 school year – some of these changes are beneficial to students and families, but others may present hurdles they have to navigate. We in the Kilgore College Financial Aid Office would like to share a few of the “high points” of what we know so far and offer some advice we hope you will pass along to families in your school district. We apologize in advance for a long email!

What is staying the same?

- The FAFSA will still be filled out annually online at www.studentaid.gov and it will still go back two years on taxes. (Ex. For the 2024-2025 school year, students will use their family’s 2022 tax information.)
- In a *normal* year, the FAFSA would open on October 1st for each new school year. As I’ll mention below, though, this is not a normal year.

What is different that you as counselors may want to know?

- The way Pell Grant eligibility is calculated is changing. Formerly, students were given a number after completing their FAFSA called the Expected Family Contribution (EFC), and this number provided a one-to-one connection to how much Pell Grant the student qualified for. Starting in 2024-2025, the EFC will be replaced by a number called the Student Aid Index (SAI). The FAFSA itself should still provide students with a Pell Grant estimate after completing their application.
- One big plus to the SAI change is that for the most part, it is much more generous than EFC was. Many middle-class students who formerly may not have qualified for Pell Grant may now qualify for Pell.

What are the challenges related to the new FAFSA you need to communicate to students and parents?

- FAFSA will open later this year due to the Department of Education’s challenges implementing all of the changes. **Tentatively, we believe the 2024-2025 FAFSA will open in either late December or early January.** For future years, we expect it to open in October like it previously has.
- **This is the big one: beginning in 2024-2025, students and parents will have to complete their portions of the FAFSA *separately* rather than co-signing a single application.** The way this works is that a student will complete the portion of their FAFSA that pertains to them specifically – their basic information and their own financial information if they happened to work or file taxes – and then hit submit to complete the student portion. When they do that, FAFSA will send an email to the parent or parents required on the FAFSA asking them to login and complete their portion of the application, which will be separate from the student and completely inaccessible by them. The parent will click on that link in their email, log in with their FSA ID, complete their section, and hit submit also, which will finish the application and send it to the student’s selected schools. This may present no problem in some cases where the school has great wireless or cell internet signal and the parents have smartphones and are tech-savvy, but it could be an issue for schools or parents when that is not the case. It will require a shift in thinking, but everyone is likely going to need to wrap our heads around FAFSA completion being a *multi-step* process rather than a single event.
- IRS Data Retrieval (where a parent’s taxes get pulled into the FAFSA and marked “Transferred From IRS”) will now happen automatically and will be mandatory if either the student or the parent indicates they worked or filed taxes. This should make the FAFSA easier for most families, though any parents who are extra-concerned about sharing their personal info will simply have to adjust to this process if they want their child to apply for aid. If a parent chooses to opt out of IRS Retrieval at the start of the application on purpose, it makes the student ineligible for *all* government financial aid. The only families who will be entering tax information manually and it *not* be a problem are those who accepted the IRS Data Retrieval, but there was some sort of data mismatch (i.e. a tech problem) that caused the transfer to fail.
- If a student’s parents filed taxes separately, both parents will now have the ability to *separately* create FSA IDs and use the IRS Data Retrieval tool. In other words, if the parents didn’t file jointly for the tax year requested, now both parents can complete IRS Data Retrieval separately and those students will have both parents co-sign their FAFSA, not just one. This will allow many students whose parents experienced a recent marriage, divorce, or separation to now use IRS Data Retrieval.

- Undocumented/noncitizen parents will supposedly also be able to create FSA IDs and sign FAFSAs electronically for the first time according to the Department of Education, although the process for this is still being rolled out and is currently vague.

What can students and families do to help themselves?

- Practice the 4 “P”s: be Proactive, be Prepared, be Patient, and be Problem-Solvers.
 - **Proactive** – Start attempting to do the FAFSA no later than February.
 - **Prepared** – The student and both parents (or step-parent) need to create their FSA IDs at least 3 -5 days before beginning a FAFSA application. Should your student be married and filed a tax return with their spouse, the spouse is also required to create an FSA ID and password. If the parents did not file jointly that year, *both* parents must create FSA IDs. If anyone has an FSA ID from a prior FAFSA and can’t get into it using password reset emails or texts, they can call the FSA ID Help line at 1-800-433-3243 for assistance getting in. Parents should check all of their information, especially their emails and legal last names, to ensure they are accurate and don’t need to be updated. If parent information on their FSA ID needs to be updated, do that on <https://studentaid.gov> at least 3 days before attempting to do the FAFSA. Also, everyone should still have their tax returns with them (physical or electronic) just in case the IRS Data Retrieval fails and they have to enter their information manually.
 - **Patient** – Don’t rush through the application, don’t get frustrated by website errors (there will likely be many, given all the changes), and don’t give in to the temptation to start mailing signature pages at the first sign of difficulty. Parents and students should make every possible effort to get their FAFSA signed electronically, because we predict a paperwork bottleneck at FAFSA’s processing center this year when it comes to mailed signature pages. This means reading the whole application carefully and slowly, entering the exact information requested, and reading any error messages carefully.

Any other relevant information we need to know?

- We encourage you to complete the creation of FSA ID and passwords, as Kilgore College Financial Aid staff are not allowed to assist with this process.
- Kilgore College will be unable to schedule High School FAFSA events until February, as January is when we are trying to get students enrolled and awarded for the Spring term.

Again, thank you for the rich partnership we have in helping students get financial assistance to continue their education. Please email your FAFSA event requests to jkelley@kilgore.edu as soon as possible, as we will have limited availability during the February – May to assist you.