

FEDERAL UPDATE



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Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

AGENDA

1. 2024-25 FAFSA® Form Launch
2. FAFSA Simplification
3. Final Rules
4. Negotiated Rulemaking
5. Recent Policy Guidance
5. Return to Repayment
6. Operational Updates and Reminders
7. Resources

2024–25 FAFSA® FORM LAUNCH

2024–25 FAFSA[®] LAUNCH (1 of 2)

Launch Began December 2023



FAFSA SUBMISSIONS

6,900,000+
submitted to date

FAFSA known issues
[2024-25 FAFSA
Issue Alerts](#)



ISIRs

Delivery in
progress

Processing 1-3
days after FAFSA
form submission



FAFSA CORRECTIONS

- Students: Mid-April
- Schools: After receive processed ISIRs



FAFSA COLLEGE SUPPORT STRATEGY

- Personnel, funding, resources
- CollegeSupportStrategy-FAFSA@ed.gov

[FAFSA form application](#)

[FAFSA Fast News](#)

[FAFSA College Support Strategy](#)

2024–25 FAFSA® LAUNCH (2 of 2)

Additional FAFSA Launch Updates

CONTRIBUTORS WITHOUT AN SSN

- Resolved issues:
 - Case numbers provided automatically by email
 - Contributors able to log in and add information to FAFSA form
 - PII mismatch on invitation vs. StudentAid.gov

SAI GUIDE UPDATED

- New tables included in 3/21/24 version of [2024–25 Pell Grant Eligibility and SAI Guide](#)
- [GENERAL-24-34](#)
- [GENERAL-24-20](#)
- [GENERAL-23-123](#)
- [StudentAid.gov Instructions: If Your Contributor Doesn't Have an SSN](#)



AWARD YEAR FLEXIBILITIES

1

Verification Requirements

Significantly reduced

Focused on identify fraud

2

New Program Reviews

Suspended through June 2024 unless severe compliance issues exist

Extensions available for open reviews

3

Recertification 90-Day Submission Requirement

Waived for schools with PPAs expiring March, June, or September 2024

FAFSA[®] FORM ISSUES



Issue Tracking and Resolution

[2024-25 FAFSA Issue Alerts](#)

[Federal Student Aid Information Center \(FSAIC\)](#)

1-800-433-3243 (1-800-4 FED AID)

FAFSA® FORM IMPROVEMENTS

Nonfunctional Changes



Date of Legal Residency

Enter the month and year when you became a legal resident in the state you reported as your state of legal residence. **If you were born in this state, enter the month and year you were born.**

Enter or select the month in the "Month" field. Use the "mm" format if typing. For example, August should be entered as "08."

Enter the year in the "Year" field in "yyyy" format. For example, enter "2015" instead of "15."

Your state of legal residence will use this information to determine if you meet its criteria for state financial aid.

Was this page helpful?  

1 Personal Circumstances 2 Demographics 3 Financials 4 Colleges 5 Signature

Your Dependency Status

Dependent Student
Based on your answers, you are a dependent student. This means you must provide parent information on your FAFSA® form. This information helps determine how much federal student aid you're eligible to receive.

Direct Unsubsidized Loan Only
Are the student's parents unwilling to provide their information, but the student doesn't have an unusual circumstance that prevents them from contacting or obtaining their parents' information? ⓘ

Select "No" if the student wants a financial aid administrator at their school to determine eligibility for ALL types of financial aid, including grants, loans, and work-study funds. The student's parent(s) will be required to provide their information on the FAFSA form.

Yes No

FAFSA[®] SIMPLIFICATION

FAFSA Simplification Phased Implementation

GEN-22-15

GEN-23-11

- 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 restoration
- ☑ Extension of Pell eligibility to incarcerated students
- ☑ Changes to cost of attendance and professional judgment
- ☑ Adjustments for applicants who cannot provide parental info
- ☑ Expanded acceptable documentation for unaccompanied/homeless youth

- ☑ Changes to verification selection criteria
- ☑ Tool for estimating aid eligibility
- ☑ Modified FAFSA form to include the remaining FAFSA Simplification provisions
- ☑ Expanded accessibility of FAFSA forms to 11 most common languages
- ☑ Student Aid Index (SAI) replaces Expected Family Contribution (EFC)
- ☑ Changes to Pell Grant formula
- ☑ 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

TRAINING OPPORTUNITIES

1

Available NOW!

Better FAFSA® Better Future Q&A Sessions #1 and #2 ([ANN-24-01](#))

[2023 FSA Training Conference session transcripts](#)

2

COMING UP!

April 18, 2024: Live Webinar – Better FAFSA Better Future Q&A Session #3 ([ANN-24-01](#))

3

COMING UP!

Early May, 2024: Live Webinar – GE and NSLDS Reports for Schools

Dec. 3-6, 2024: [2024 FSA Training Conference](#)

FINAL RULES

FINANCIAL VALUE TRANSPARENCY (FVT) AND GAINFUL EMPLOYMENT (GE)

Effective July 1, 2024

1

Measures

- Debt-to-Earnings
- Earnings Premium
- Performance benchmarks

2

FVT

- Covers all *Title IV* eligible programs
- Tracks/compares costs and outcomes on ED website

3

GE

- Defines program eligibility
- Makes ineligible if fail two of three consecutive periods

[88 FR 70004](#)

[FVT/GE Information Page](#)

GE REPORTING

Effective July 1, 2024

Requirements

- Student- and program-level information
- Private and institutional loan debt
- Certain institutional charges

Deadline

October 1, 2024

Standard reporting period

- Most recently completed award year (2023-24), and
- 2-7th award years prior to 7/1/2024 (qualifying grad programs, 2nd – 8th award years prior)

OR

Transitional reporting period

- Can opt to report for only the two most recently completed award years

[DCL GEN-24-04](#)



FINANCIAL RESPONSIBILITY, ADMINISTRATIVE CAPABILITY, CERTIFICATION PROCEDURES, ABILITY TO BENEFIT (ATB)

Final Regulations Effective July 1, 2024

[88 FR 74568](#)



FINANCIAL RESPONSIBILITY

- Triggers for lack of financial responsibility
- Changes in Ownership



ADMINISTRATIVE CAPABILITY

- New conditions
- Financial aid communications
- Career services
- HS diploma validation



CERTIFICATION PROCEDURES

- Provisional certification
- Additional PPA signers
- Distance education
- Transcript withholding



ABILITY TO BENEFIT (ATB)

- Eligible career pathway programs
- Documentation
- Verification
- State process requirements

INCOME-DRIVEN REPAYMENT (IDR)

*Final Regulations Effective July 1, 2024, with
Early Implementation Exceptions*

Final Regulations

- Establish new SAVE plan
- Help avoid delinquency/default
- Lower payments for low- and middle-income borrowers

Payment Count Adjustment

ED applies credits toward IDR and PSLF for Direct Loan and ED-held FFEL loans

- Prior periods of repayment
- Periods in deferment
- Periods in forbearance



studentaid.gov/idr

90/10 RULE

Final Regulations Effective July 1, 2023

- Applies to proprietary institutions
- Counts all [federal education assistance](#) funds as federal revenue
- Applies to fiscal years beginning on or after January 1, 2023

Resources

- [34 CFR § 668.28](#)
- [Federal Register Notice](#)
- [GENERAL-23-117](#)
- [90/10 Q&A](#)
- [FSA Training Center: 90/10 Rule](#)



[GENERAL-24-30](#)

- Proprietary schools* must postpone submitting compliance audits and audited financial statements
- eZ-Audit updates ongoing
- Anticipated completion date prior to 6/30/2024 submission deadline for schools with 12/31/23 FY end

*includes those that have gone through or are in the process of a change in ownership to become a nonprofit or public institution and must report the 90/10 revenue calculation

NEGOTIATED RULEMAKING

NEGOTIATED RULEMAKING

January - March 2024

Program Integrity and Institutional Quality Committee Topics:

- Recognition of accrediting agencies [34 CFR part 602](#)
- Institutional eligibility [34 CFR 600.2](#)
- State authorization [34 CFR 600.9](#)
- Distance education [34 CFR 600.2](#)
- Return of Title IV (R2T4) funds [34 CFR 668.22](#)
- Cash Management [34 CFR part 668, subpart K](#)
- TRIO Programs participant eligibility requirements:
[34 CFR 643.3](#), [34 CFR 644.3](#) and [34 CFR 645.3](#)



RECENT POLICY GUIDANCE

2024–25 VERIFICATION

Items to be Verified, by Verification Tracking Group

V1		V4	V5	
Tax Filers	Non-Tax Filers	All	Tax Filers	Non-Tax Filers
<ul style="list-style-type: none"> Income information Family size 	<ul style="list-style-type: none"> Income earned from work* Family size 	<ul style="list-style-type: none"> Identity/ Statement of Educational Purpose 	<ul style="list-style-type: none"> Income information Family size Identity/ Statement of Educational Purpose 	<ul style="list-style-type: none"> Income earned from work* Family size Identity/ Statement of Educational Purpose

*For an individual who has not filed and, under IRS or other relevant tax authority rules, is not required to file, a 2022 income tax return

HEROES ACT WAIVERS/MODIFICATIONS

Effective January 24, 2024 – 2029

Individuals affected by war, military operations, or national emergencies, including those who:

- Are on active duty;
- Are performing qualifying National Guard duty;
- Reside/employed in area declared a disaster by any Federal, State, or local official; or
- Suffered direct economic hardship.

[Federal Register Notice Jan. 24, 2024](#)



[Federal Register Notice Sept. 29, 2017](#)

UPDATED SAIG ENROLLMENT AGREEMENTS

Deadline to Validate was February 23

Must be in place and signed by

- Destination Point Administrator (DPA) who manages the ISIR service
- Primary DPA (if different person than DPA)
- Authorized Official



- [EA GENERAL-23-102](#)
- [EA GENERAL-23-34](#)
- [FSA Training Center: Signing Updated SAIG Enrollment Agreements](#)
- [SAIG Enrollment Site](#)

FTI-SAIG MAILBOX

Required for Receiving ISIRs in 2024–25

REQUIRED
NOW!



- [EA GENERAL-23-85](#)
- [EA GENERAL-23-34](#)

- Must enroll for FTI-SAIG mailbox
- May grant mailbox access for new users under certain conditions
- [EA GENERAL-23-79](#)

REQUIRED SAIG SOFTWARE UPGRADES

For FTI Data Transmission

- Updated software
 - EDconnect 8.6.1
 - TDClient
 - TDCommunityManager

AVAILABLE
NOW!



- [Software and Other Tools](#)
- [EA GENERAL-24-14](#)

INCONSISTENT ISIR DATA FROM IRS/FA-DDX

[GENERAL-24-29](#); [GENERAL 24-31](#); [GENERAL-24-34](#); [Tax Data Discrepancy and School Support Webinar](#)



EDUCATION TAX CREDITS

- Inconsistent education tax credits
- IRS to update FA-DDX to report actual reported education tax credits going forward



AMENDED TAX RETURN DATA

- Most recent AGI and filing status and original values for other tax return elements when taxpayer info updated
- IRS to update FA-DDX to report original tax data
- No ISIR flag for amended tax return filed



FA-DDX AND FAFSA® FORM INSTRUCTIONS

- FAFSA form instructions inconsistent for manually entered income taxes paid and education tax credits
- ED to amend FAFSA instructions to align manual input with FA-DDX data definition

E-APP AND TPS INQUIRY FORM

[Title IV Participation Application](#)

[GENERAL-23-120](#) E-App and TPS Functionality

[GENERAL-23-116](#) FSA Partner Connect – New Features (Updated March 28, 2024)

[GENERAL-24-11](#) 2024–25 AY Flexibilities

[E-App and Third-Party Servicer Inquiry Form Updates](#) (Updated March 28, 2024)

FSA Training Center:

- [Title IV Recertification Webinars](#)
- [FSA Partner Connect](#)

[Contact Customer Support](#)

Application to Participate in the Federal Student Aid Financial Aid Programs (E-App)

Postsecondary institutions must complete and submit an Eligibility application to be approved to participate in the Federal Student Financial Aid Programs. Institutions must submit this application:

- to be initially certified
- to be approved to participate
- to be recertified
- to have eligibility information
- to be designated
- to update/report

Updates include changes in ownership, change, new location, changes in institutional officials, report a third-party servicer change or update to E-App

[Get Started](#)

Third-Party Servicer Data Inquiry Form

Entities or individuals that meet the definition of a third-party servicer are required to submit the Third-Party Servicer Inquiry Form to the Department. Third-Party Servicers are required to update information provided on the Third-Party Servicer Inquiry Form within 10 days of the date that:

- The servicer changes its name;
- The servicer changes the address or contact information for its primary location or additional location;
- The servicer adds or terminates a contract with an eligible Title IV institution; or
- The servicer buys, sells, or merges with another third-party servicer.

[Get Started](#)

AUDITOR ATTESTATIONS

GENERAL-23-121

- Independent certified public accountant
- Substantiate certain calculations for continued eligibility

Correspondence courses
and students

Regular students who are
incarcerated

No HS diploma / equivalent



Completion and
placement rates for
short-term
programs

Completion rates of
confined students
in non-degree
programs at
nonprofit schools



RETURN TO REPAYMENT

RETURN TO REPAYMENT

Began October 2023

On-Ramp

- One year grace period for missed payments
 - No negative credit reporting, default, delinquency, debt collection, capitalized interest

Provisions

- Interest accrual paid first
- No credit for PSLF/IDR loan forgiveness if use retroactive administrative forbearance



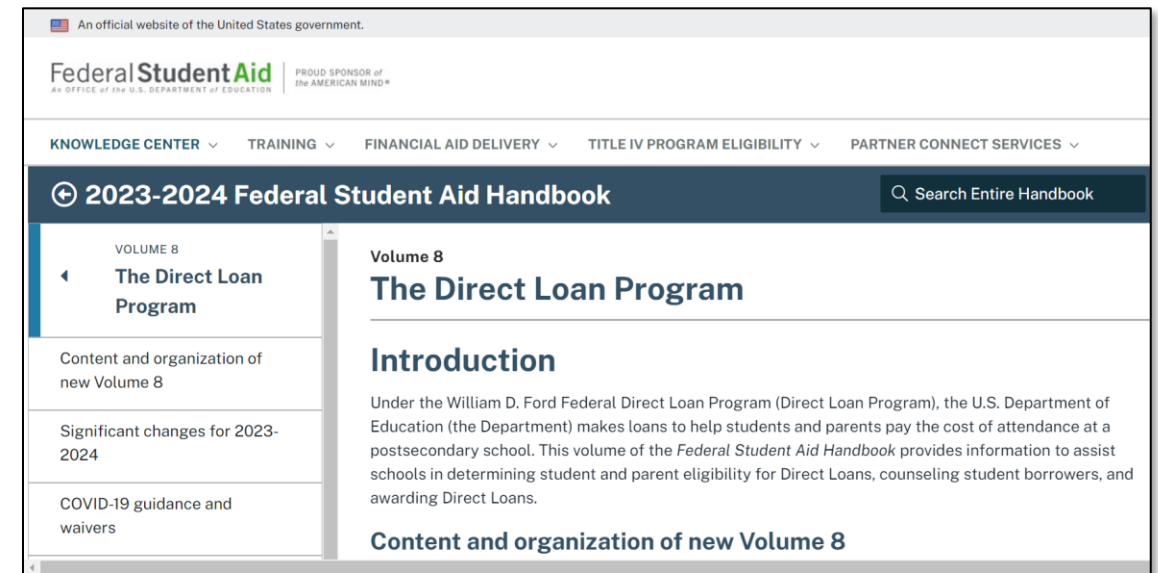
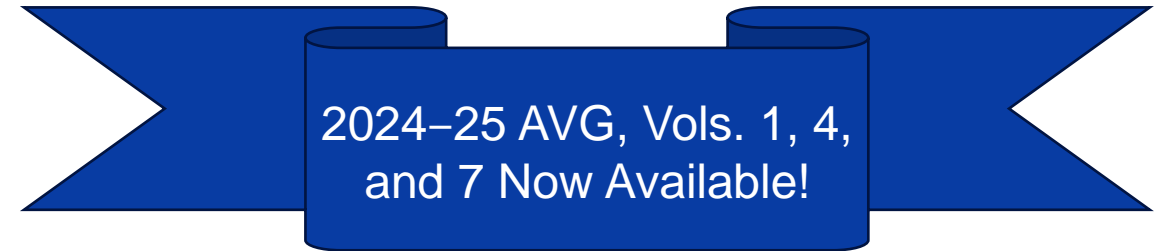
OPERATIONAL UPDATES AND REMINDERS

FEDERAL PERKINS LOAN PROGRAM

- Deadline for mandatory assignment of Federal Perkins loans to ED if loans are in default for more than two years
 - [EA CB-22-10](#)
 - [Assignment and Liquidation Guide, Federal Perkins Loan Program](#)
- Expiration of waiver of forbearance limit and other COVID-19 waivers
 - [Federal Register 88 FR 39360 Federal Student Aid Programs](#)

FSA HANDBOOK REORGANIZED

- Application and Verification Guide (AVG)
- Three new numbered volumes
 - **Volume 7:** Federal Pell Grant
 - **Volume 8:** Direct Loan Program
 - **Volume 9:** TEACH Grant Program
- Appendices
- [EA GENERAL-23-03](#)
- [Federal Student Aid Handbook](#)



RESOURCES

FAFSA® RESOURCES (1 of 2)

- [2024–25 FAFSA Issue Alerts](#)
- [2024–25 FAFSA Specifications Guide \(March 2024 Update #3\)](#)
- [2024–25 Pell Grant Eligibility and SAI Guide \(Updated March 21, 2024\)](#)
- [GENERAL-24-12](#) Additional 2024–25 Test ISIR Data Files and Other Tools Available
- [EA COD-23-06](#) COD Common Record XML Schema Version 5.0b
- [Federal Student Aid \(FSA\) Handbook](#)
- [Training: Better FAFSA Better Future Webinar Series](#)
- [Financial Aid Toolkit](#)

FAFSA® RESOURCES (2 of 2)

- [EA GENERAL-24-24](#) Update on 2024-25 FAFSA Institutional Student Information Record (ISIR) Delivery
- [2024–25 Technical FAQ and Known Issues Guide](#) (ISIR)
- [GENERAL-24-21](#) Additional Resources for 2024–25 ISIR Delivery and Processing
- [EA GENERAL-23-34](#) Access and Use of FTI for FSA Programs Beginning with the 2024–25 FAFSA Processing Cycle
- [APP-24-01](#) Final 2024–25 FAFSA Form, FAFSA Form for Incarcerated Students, and FAFSA Submission Summary
- [EA GENERAL-23-123](#) StudentAid.gov Account Creation for Individuals without a Social Security Number; [Webinar](#)
- [2024–25 FAFSA Updates](#)

OTHER RESOURCES

1

Knowledge Center
[Knowledge Center Homepage](#)

Subscribe for daily or weekly email updates.

2

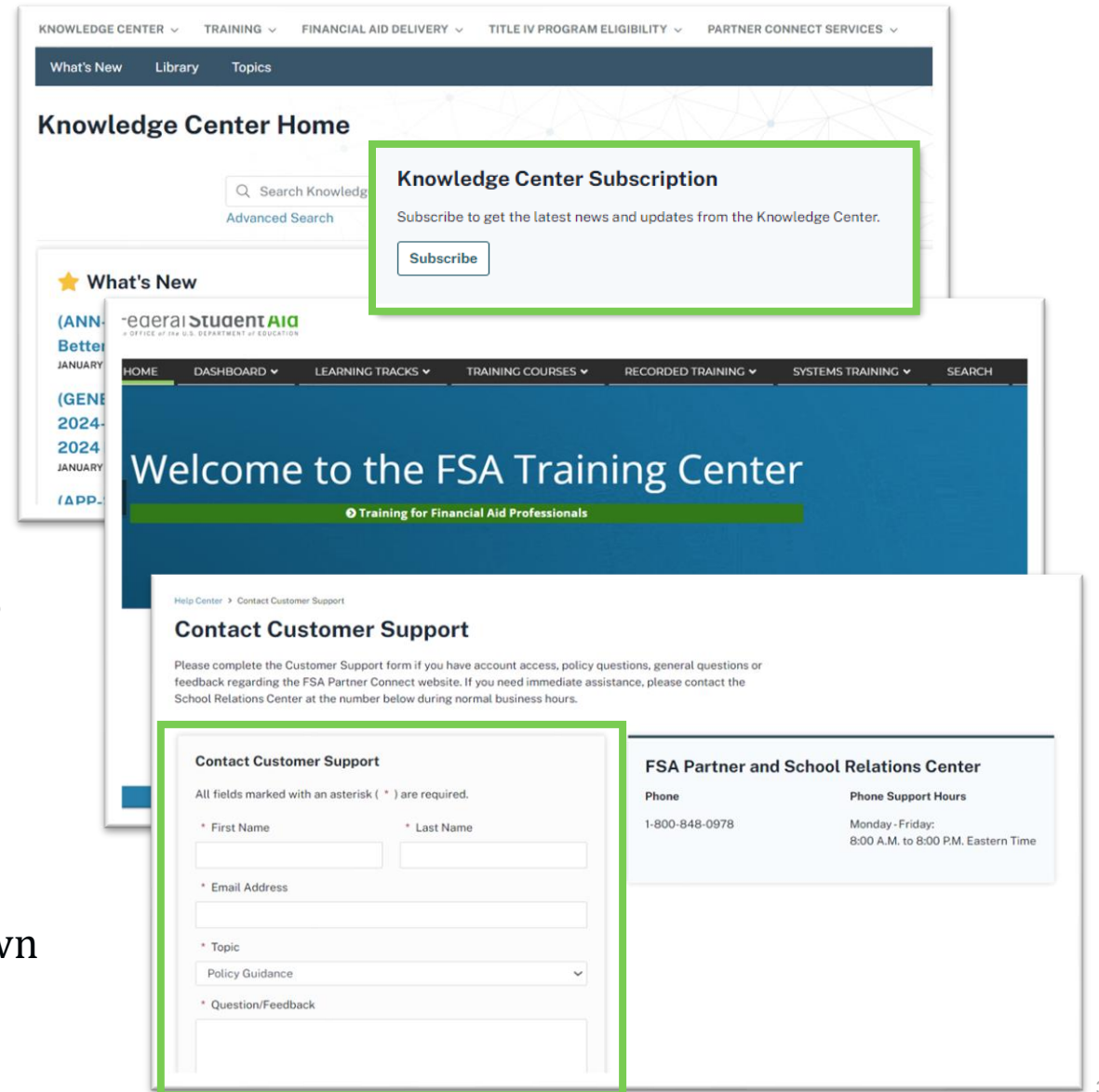
FSA Training Center
FSAttraining.ed.gov

View learning tracks, training courses, videos, and software training.

3

FSA Partner Connect Help Center
[Contact Customer Support](#)

Choose “Policy Guidance” from Topic dropdown list to ask policy questions.



OUR SOCIAL MEDIA PLATFORMS



[linkedin.com/company/federalstudentaid](https://www.linkedin.com/company/federalstudentaid)



[facebook.com/federalstudentaid](https://www.facebook.com/federalstudentaid)



[instagram.com/federalstudentaid](https://www.instagram.com/federalstudentaid)



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[youtube.com/@FederalStudentAid](https://www.youtube.com/@FederalStudentAid)



[youtube.com/@FSAOutreach](https://www.youtube.com/@FSAOutreach)

FEEDBACK SURVEY



<https://www.surveymonkey.com/r/PacFAAFedUpdateApril2024>

Survey open until May 9, 2024

Mahalo!



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