

**HELLO my name is FAFSA**

# The Early Days of the Early FAFSA: A 2017-2018 Application Update

Zack Goodwin  
US Department of Education

MASFAA Conference, Northport, ME  
November 7, 2016

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## Agenda

- Application enhancements
- Resolving conflicting information
- 2017-2018 Verification

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## 2017-2018 Application Enhancements

### 2017-2018 Application Enhancements

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## General Updates

- States will receive on the ISIR the list of schools to which the student is applying in the order in which they were listed  
*Electronic Announcement: January 8, 2016*  
*Electronic Announcement: June 8, 2016*
- Pre-printed FAFSAs will no longer be available
  - The PDF FAFSA will still be available for download
- Medicaid will be included as a means-tested benefit
- Link to College Scorecard added to the FAFSA home page

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## Selecting a Year

*Messaging on the "Get Started" page has been enhanced to help students determine whether to file the 2016-2017 or 2017-2018 FAFSA*

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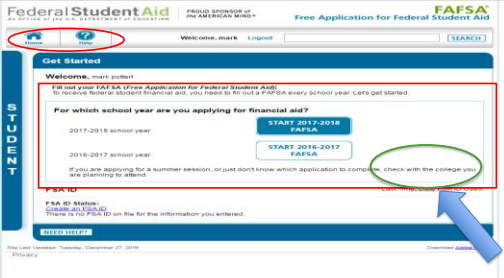
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# Tax Information

Messaging has been enhanced to reinforce that income information should be reported for the 2015 tax year

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The screenshot shows the 'Student Tax Information' section of the FAFSA application. A red circle highlights the instruction: 'Additional: You must provide financial information from your 2015 tax return on the following pages.' Below this, a green checkmark indicates 'Application was successfully saved.' The page includes navigation buttons like 'NEED HELP?', 'SAVE', 'CLEAR ALL DATA', 'VIEW FAFSA SUMMARY', and 'EDIT'.

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The screenshot shows the 'Financial Information' section of the FAFSA application. A red box highlights the '2015 Additional Financial Information' section, which includes questions about income from other sources, unemployment benefits, and military allowances. Another red box highlights the '2015 Unearned Income' section, which includes questions about interest, dividends, and other unearned income.

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### Estimated Tax Information

*Messaging has been added to reinforce that for most FAFSA filers, 2015 taxes should have already been filed so "will file" status may be incorrect*

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**Student Tax Information**

**✖ The following error(s) have occurred:**

- You indicated that you will file taxes. Are you sure this answer is correct, since it is near or past the April tax deadline? If so, click "OK." Otherwise, change your answer.

For 2015, have you completed your IRS income tax return or another tax return?  
 Will file  OK

For 2015, what will be your tax filing status according to your tax return?  
 Married-Filed Joint Return

[PREVIOUS](#) [NEXT](#)

[NEED HELP?](#) [SAVE](#) [CLEAR ALL DATA](#) [VIEW FAFSA SUMMARY](#) [EXIT](#)

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### Marital Status Changes

*Messaging and help text have been added to clarify what steps to take if a student or parent has had a marital status change since filing 2015 taxes*

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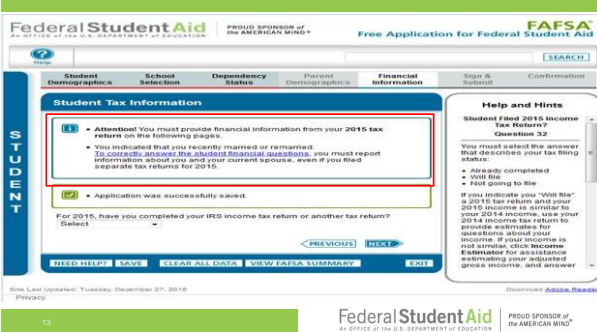
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## Marital Status Help Text

### How to answer the student financial questions when student marital status changed after 2015

The FAFSA asks for marital status as of the day you fill it out, but it asks for income and tax return information from 2015. Therefore, your marital status may be different than it was when you filed your tax return.

**Related Topics:**

- What if my marital status as of today is different than the marital status reported on my 2015 tax return?
- What if my current spouse is different from the spouse listed on my 2015 tax return?
- What if I am recently widowed?

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## IRS Data Retrieval Tool

*Messaging has been enhanced to encourage filers to use the IRS Data Retrieval Tool when eligible*

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### Cross-Year Edits

*Because the 2017-2018 FAFSA will collect 2015 income information like the 2016-2017 FAFSA, real-time warnings will be displayed if income or tax amounts on the 2017-2018 FAFSA differ from the amounts reported for 2016-2017*

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### Cross-Year Edits

*No warnings will be displayed if...*

- Income and taxes were estimated
- If there has been a change in the student's dependency status between the two years
- If there has been a change in the student's or parents' marital status between the two years

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### Ongoing Outreach

*Email campaign about the 2017-2018 FAFSA initiated during the week of October 17 to 2016-2017 filers yet to file for 2017-2018:  
[Electronic Announcement: October 27, 2016](#)*

*Letters from Undersecretary Mitchell to school presidents  
[Electronic Announcements: April 12 and August 10, 2016](#)*

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**FAFSA CHANGES AT A GLANCE**

- 2016**  
The FAFSA launches Oct 1, 2016 (NOT Jan. 1, 2017).
- 2015**  
You'll report your 2015 taxes.
- 2016**  
There's no need to update it after filing your 2016 taxes.

'Myth-busting' video: [Electronic Announcement, October 13, 2016](#)

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## Early FAFSA Resources

- [IFAP Early FAFSA Information Page](#)
- [Dear Colleague Letters](#)
- [Electronic Announcements](#)
- [Q & A documents](#)
- [Webinars and other training](#)
- [Other resources](#)

[EarlyFAFSAFeedback@ed.gov](mailto:EarlyFAFSAFeedback@ed.gov)

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## Early FAFSA Resources

**Information for Financial Aid Professionals (IFAP)**

The information for Financial Aid Professionals (IFAP) Web site consolidates guidance, resources, and information related to the administration and processing of Title IV federal student aid into one online site for use by the entire financial aid community.

The most recent postings to the site are listed in the **What's New** section.

**Hot Topics**

- Program Integrity Information, Questions and Answers
- Federal Student Aid Data Center
- Cheating Assistance
- Security Resources – SANS User Connection

**Informational Pages**

- [Data Dashboard](#)
- [General Employment](#)
- [100% Direct Subsidized Loans](#)
- [Campus-Based Programs](#)
- [Outfall Incentives](#)
- [Transfer Schools](#)
- [Loan Servicing and Collection](#)
- [HEAL Program](#)

**Letters & Announcements**

- [Policy and](#)

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### Early FAFSA Resources: Counselors

- *Financial Aid Toolkit website*
  - *Suggested outreach text and fact sheets*
  - *Social media tools and infographics*
  - *Other resources*
- *Training in person and by webinar*

[FinancialAidToolkit.ed.gov](http://FinancialAidToolkit.ed.gov)

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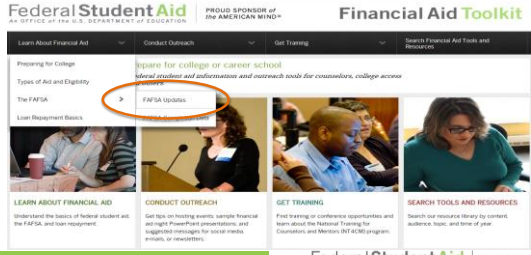
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### Early FAFSA Resources: Counselors



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### General Resources

- **August 2016**
  - *2017-2018 Electronic Data Exchange (EDE) Technical Reference (Final)*
  - *2017-2018 EFC Formula Guide*
  - *2017-2018 SAR Comments Code and Text Guide*
  - *2017-2018 ISIR Guide*
- **September 2016**
  - *2017-2018 Summary of Changes for the Application Processing System*
  - *2017-2018 FAFSA on the Web Preview Presentation*
  - *2017-2018 CPS Web Applications Demo System availability*
  - *2017-2018 FAFSA on the Web and Question 23 Worksheets*

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## General Resources

- **October 2016**
  - 2017-2018 FAFSA on the Web (October 1, 2016)
  - 2017-2018 IRS Data Retrieval Tool (October 1, 2016)
  - 2017-2018 FAA Access to CPS Online (October 1, 2016)
  - EDEExpress for Windows 2017-2018, Release 1.0 (October 3, 2016)
- **November 2016**
  - 2017-2018 SAR and SAR Acknowledgement mock-ups (November 1, 2016)

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## Upcoming Resources

- **December 2016**
  - 2017-2018 Application Processing System Specifications for Software Developers (Final)
    - Draft version was released in June 2016

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## Early FAFSA Issues

- Professional Judgment
  - Dear Colleague Letter GEN-16-03
- Campus-Based awards
- Monitoring Pell Lifetime Eligibility and Direct Loan aggregate limits on NSLDS and the ISIR

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### 2017-2018 Pell Grant

Maximum Federal Pell Grant = \$5920  
(an increase of \$105 from 2016-2017)  
Minimum Federal Pell Grant = \$596  
Maximum Pell-eligible EFC = \$5328

Dear Colleague Letter GEN-16-19

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### Conflicting Information

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### Conflicting Information

- Increased possibility of conflicting information due to the inclusion of 2015 income and tax information on the 2016-2017 and 2017-2018 FAFSAs
  - Other data, such as household and asset information, will be *current/projected*
- ED will identify 2017-2018 applications where conflicting information may exist that, if resolved, would result in a significant change in EFC

Dear Colleague Letter GEN-16-14

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### Comment Codes 395-399

- Comment codes 395-398 indicate possible conflicting information, but resolution is not required
- Resolution is required for comment code 399
  - If comment code 399 does not appear on the 2017-2018 ISIR, schools are not required to resolve differences in *income or tax information* between the two ISIRs
  - Any other conflicting information must still be resolved

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### Comment Code 399

- If CPS identifies an ISIR as having conflicting information, you will see...
  - C Flag
  - ISIR comment code 399

*"Your Financial Aid Administrator may contact you to resolve any issues related to differences in the 2015 income information you reported on your 2016-2017 FAFSA and 2017-2018 FAFSA."*

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### Comment Code 399

- CPS will <sup>most likely</sup> not flag an ISIR for conflicting information if...
  - Student is not expected to be Pell-eligible
  - Change in dependency status between the two years
  - Change in student's or parents' marital status between the two years
  - Professional judgment was exercised in either year

*Electronic Announcement: October 13, 2016  
ISIR reprocessing October 17, 2016*

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### Comment Code 399

- If a reprocessed ISIR no longer includes Comment Code 399 the institution is not required to take any action
  - Any Code 399s on subsequent ISIRs must still be resolved
- Code 399 need not be resolved for graduate students if:
  - The student is a graduate student in both 2016-2017 and 2017-2018
  - The student did, and will, not receive Federal Work-Study in either year

*Electronic Announcement: October 21, 2016  
Future ISIR reprocessing?*

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### Comment Code 399

- Comment code 399 does *not* have to be resolved if...
  - School never received a 2016-2017 ISIR
  - School received a 2016-2017 ISIR but did not and will not disburse Title IV aid in either year
  - Aid was disbursed in 2016-2017, but the student is no longer enrolled and is not expected to return in 2017-2018

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### Resolving Conflicting Information

- School must compare 2015 income and tax-related items from both years' ISIRs to determine conflict
  - Compare ISIRs that were or will be used to award Title IV aid
- If in either year the school had verified the income and tax information, or the IRS Data Retrieval Tool was used and no data was changed, school can assume these values are correct and submit changes to the *other* year...
  - ...unless the school is aware an amended tax return was filed.

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### Unable to Resolve

- Until conflicting information is resolved, no additional Title IV aid may be disbursed in either year
- If the conflicting information is unable to be resolved, the school must consider the student in an overaward status for any need-based 2016-2017 aid disbursed
  - Earned Federal Work-Study funds need not be returned, but students may not *continue* to earn FWS wages

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### Overawards and Overpayments

- Title IV grants and Perkins Loans
  - Adjust subsequent disbursements
  - If not resolved by adjusting subsequent disbursements, student must repay portion disbursed for which no longer eligible
  - *School is not liable*
- Direct Subsidized Loans
  - Will be repaid under terms of the promissory note, but school must record its determination

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### Conflict Resolved

- 2017-2018 ISIR
  - If required correction is for the 2017-2018 year, school must use EFC from corrected ISIR to award and disburse
- 2016-2017 ISIR
  - If required correction is for the 2016-2017 year, school must ensure that all awards and disbursements for 2016-2017 reflect the corrected ISIR, whether the EFC is lower or higher
  - *Corrections not required after September 9, 2017*

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### Verification

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$$V1 + V4 = V5$$

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### 2017-2018 Verification Changes

- SNAP benefits, child support paid, and other untaxed income are no longer required Verification items
- Tracking group V6 eliminated
- *Confirmation of non-filing required for all tax non-filers and for applicants with tax filing extensions*
- Documentation used for 2016-2017 Verification may also be used for 2017-2018 provided it meets current requirements

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### Verification of Non-Filing Letter

- Required for *all* students and parents who did not file a 2015 Federal tax return
  - Includes those not required to file
  - Includes those who requested extensions of time to file
    - Schools can opt to re-verify an application once a tax return is filed

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### Undocumented Parents/Spouses

*A parent or spouse who does not have an SSN, Individual Taxpayer Identification Number (ITIN), or Employer Identification Number (EIN) may submit...*

- A signed and dated statement:
  - Certifying that the individual(s) does not have an SSN, ITIN or EIN
  - Listing the sources and amounts of earnings, other income, and resources that supported the individual(s) for the appropriate year
- If applicable, a copy of IRS Form W-2 or equivalent document for each source of employment income

[Program Integrity Q&A Website \(DOC-Q29\)](#)

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### Verification Resources

- Required Verification items
  - [Federal Register: April 1, 2016](#)
  - [Dear Colleague Letter GEN-16-07](#)
- Suggested Text
  - [Electronic Announcement: July 29, 2016](#)

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### Verification Resources

*Program Integrity Q & A website (Verification topic)*  
<http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/integrity-qa.html>

*Tracking Group changes:  
Electronic Announcement: October 31, 2016*

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### Thank you!

*Zack Goodwin  
zachary.goodwin@ed.gov  
617.289.0051*



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### ED Contacts

*Region I Training Officers (New England)*

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Anita Olivencia  
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617.289.0130



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## ED Contacts

[Research and Customer Care Center](#)  
800.433.7327  
fsa.customer.support@ed.gov



[Reach FSA](#)  
855.FSA.4FAA -- 1 number to reach 10 contact centers!

<i>Campus Based Call Center</i>	<i>eZ-Audit</i>
<i>COD</i>	<i>School Eligibility Service Group</i>
<i>CPS/SAIG</i>	<i>Foreign Schools Participation Division</i>
<i>NSLDS</i>	<i>Research and Customer Care Center</i>
<i>G5</i>	<i>Nelnet Total &amp; Permanent Disability Team</i>

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## We Appreciate Your Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation:

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

This evaluation tool provides a means to inform us of areas for improvement, and to support an effective process for listening to our customers.

Additional feedback about training can be directed to [joann.borel@ed.gov](mailto:joann.borel@ed.gov).

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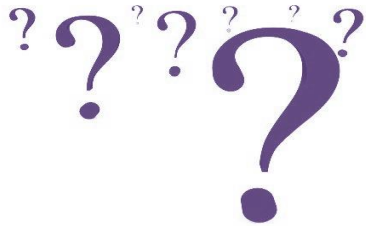
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