

CAPFAA State and Federal Relations Committee – News Update

4/30/24

Committee Chair:

- Ryan Jones, Campus Supervisor, CT State Community College (Gateway Campus)

2024-2025 FAFSA Problems Still Not Better

The U.S. Department of Education's (ED's) Office of Federal Student Aid continues to struggle to deliver the "Better" FAFSA® amid a wide array of problems. Over the last month they provided several important updates for the 2024-25 Free Application for Federal Student Aid (FAFSA®) processing cycle, including updates on continuing delays and timeframes for when students will be able to make corrections to the FAFSA, when forms containing previously reported errors can be reprocessed, and how many applications have been submitted and processed.

First the good news. Following the signing of the "Further Consolidated Appropriations Act, 2024" by President Biden, the Federal Pell Grant program will continue with a maximum award of \$7,395. No additional reprocessing will be necessary for adjusting the Pell Grant awards.

The Department started to deliver Institutional Student Information Records (ISIRs) to schools in the middle of March. Up to this point, the Department has processed more than 4.3 million FAFSA forms, and most of the Institutional Student Information Records (ISIRs) have reached schools, states, and chosen scholarship organizations. The Department's goal was to finish processing about 6 million FAFSA forms by March's end. Only a few million left!

The Department revealed last month that they found a mistake in the formula for the Student Aid Index (SAI) for 2024-25 that could cause more delays in student aid awards. The mistake was caused by a vendor problem that affected how the Student Aid Index was computed for some records, which has since been fixed. However, affected applications will be reprocessed once student changes can be made sometime in April. The Department also announced another issue, this time one related to certain discrepant tax information retrieved from the IRS. The Department has not provided any specific details and said they were working with the IRS to determine the extent of the issue. Stay tuned for updates once more information is made available.

The Department is expected to offer guidance soon about how to make FAFSA® corrections – a feature that is not yet available. Students have reported myriad issues and are still unable to make corrections. In severe cases the entire FAFSA® on the web application bombs out and students have been unable to submit their application altogether.

Although most schools haven't even begun to construct federal aid packages for students yet, students will at least be able to update and correct their FAFSA forms sometime in mid-April. For summer terms and crossover payment periods, the Department says the Common Origination and Disbursement (COD) System will also be accessible in the latter half of April.

Despite their failure to deliver a usable product in time, the Department wants institutions to plan effectively and is suggesting flexibility in deadlines for students who are making enrollment decisions. The Department advises that schools change their aid packaging and originating schedules to give students and families more time to figure out how they will pay for school.

Education Secretary Miguel Cardona, in a letter to state governors championed the progress the Department is making and listed actions that state higher education systems can take to help students complete the 2024-25 FAFSA and to support institutions that are preparing financial aid packages amid these delays. Institutions and states are asked to take these updates into account when setting aid application and commitment deadlines.

2024-25 Final Funding for Campus-Based Programs

In the latest update, the ED has finalized the funding levels for the 2024–25 Campus-Based programs, including the Federal Work-Study (FWS) and Federal Supplemental Educational Opportunity Grant (FSEOG) programs. This follows the enactment of the Further Consolidated Appropriations Act, 2024, which allocated \$1,230,000,000 to FWS and \$910,000,000 to FSEOG for the award year.

The final funding for each campus-based program is determined by statutory formulas and Congressional appropriations. Importantly, a school’s funding cannot exceed its requested amount on the Fiscal Operations Report for 2022–23 and Application to Participate for 2024–25 (FISAP). The allocation details for each program will be available on the Common Origination and Disbursement (COD) website by April 1, 2024. Administrators should log in to the COD website, navigate to the “Campus-Based” section under the “School” tab, and select “Self-Service” to access the Statement of Account and Final Funding Worksheets. Keep in mind that if you return more than 10% of the 2022–23 allocation for any Campus-Based program, the funding for 2024–25 may be reduced, unless you have a waiver. We have notified you of the decisions on waiver requests and they are shown in the funding worksheets.

Be sure to carefully review your institution’s allocation details on the COD website and prepare for the upcoming academic year accordingly. This ensures not only compliance but also the maximum benefit for eligible students under these vital financial aid programs.

IPEDS Spring Survey

The National Center for Education Statistics requires institutions to provide data for the IPEDS Spring Survey. This survey covers Fall Enrollment, Finance, Human Resources, Academic Libraries and has a deadline of April 03, 2024.

All institutions that take part or apply to take part in any Federal financial aid program under Title IV of the Higher Education Act of 1965, as amended, must complete all IPEDS surveys accurately and on time. This is a legal requirement under 20 USC 1094, Section 487(a)(17). <https://surveys.nces.ed.gov/ipeds/>

Gainful Employment Reporting Postponed Until October

GE Reporting has been postponed.

In a recent bipartisan effort, Senators Roger Marshall, Tommy Tuberville, Tim Kaine, and John Hickenlooper addressed a significant concern to Secretary of Education Miguel Cardona. They advocated for a delay in school reporting deadlines related to the institutional FVT/GE (Financial Value and Transparency /Gainful Employment). This move aims to reduce the administrative load on educational institutions, especially critical now as they handle challenges resulting from the nationwide FAFSA debacle. And it seems to have worked!

Initially set for July 31, 2024, the deadline for submitting FVT/GE data to NSLDS has been pushed back to October 1, 2024, granting institutions an additional two months for compliance. The rules were scheduled to take effect on July 1, 2024 with the first batch of reports due from schools by July 31. This short reprieve comes just in time because schools are just gearing up to begin awarding federal aid for the 2024-25 cycle, months later than normal due to the troubled launch of the Better FAFSA®. This delay could help institutions focus more on efficiently distributing financial aid to students facing urgent commitment deadlines for the upcoming school year.

The Department also provided a summary of the Financial Value Transparency and Gainful Employment Regulations in a separate Dear Colleague Letter. It details applicability, definitions, and exclusions for various educational programs. The DCL outlines the major provisions of the regulatory package and delves into the differences between the applicability of the regulations GE components of and the FVT components. The DCL also provides an overview of the program level and student level reporting requirements including a list of the information schools will be required to report.

New DHS-SAVE Manual Available for Third-Step Confirmation

In a recent electronic announcement, FSA released the "DHS-SAVE Instructions for U.S. Department of Education (School) Users, Version 4.0." This document updates and consolidates changes from the previous Version 3.0. Be sure to replace earlier versions with this latest update to ensure adherence to current procedures.

FSA, in partnership with the Department of Homeland Security (DHS), employs an electronic verification process through the DHS Systematic Alien Verification for Entitlements (SAVE) Program. This process is essential for verifying students who aren't confirmed as eligible noncitizens during FSA's automatic matching with DHS. The verification system is uniquely termed as "third step only" because, unlike most entities using the SAVE system's three-step process, post-secondary institutions only engage in the third step. This step is necessary when the first and second steps in the FAFSA process, which involve checking a student's Alien Registration Number (ARN), do not confirm eligibility for Title IV funds. Specifically, the "DHS Match" and "DHS Sec. Conf." fields in the Institutional Student Information Record (ISIR) indicate the need for further verification.

DHS has tailored this third step for FSA's specific requirements. Post-secondary institutions are responsible for confirming a student's qualifying immigration status when earlier steps fail. The regulations at 34 CFR 668.135 mandate that institutions must submit a verification request to DHS-USCIS

within 10 business days of receiving a student's immigration documents. This process is detailed in the instructions on the SAVE website, focusing on the distinct third step process designed for FSA.

For more detailed information, refer to this electronic announcement from Federal Student Aid.

States Sue to End Biden's SAVE Repayment Plan

A pair of new lawsuits are seeking to prevent President Joe Biden from fully implementing the Saving on a Valuable Education (SAVE) student loan repayment plan.

Both challenges, led by Republican attorneys general in Kansas and Missouri, attempt to build on previous lawsuits that successfully blocked the Biden administration's student loan debt cancellation program.

The new income-driven repayment plan was finalized through a [negotiated rulemaking](#) conducted in the fall of 2021, with some provisions available for early implementation. Full implementation of the final rules is slated to occur July 1, 2024.

The first [challenge](#), led by Kansas, claims that the program is an attempt by the Department of Education (ED) to implement a debt cancellation program.

"Last time Defendants tried this the Supreme Court said that this action was illegal. Nothing since then has changed, other than introducing more legal errors into this Rule's underlying analysis," the legal challenge reads.

The states, 11 in total, specifically take issue with the program's cost estimates, argue that the administration does not have the authority to carry out the program, and claim that the administration is advertising the program as an effort to "buy votes with federal funds."

"A major round of this 'forgiveness' occurred on February 21, 2024, when the Department of Education unilaterally erased the debt of 153,000 borrowers. Defendant Biden openly boasted about his defiance of the Supreme Court with this move, stating in Jacksonian fashion: 'the Supreme Court blocked it. They blocked it. But that didn't stop me,'" the challenge reads. "This lawsuit is now necessary to prevent Defendants from continuing to flout the law, which includes ignoring Supreme Court decisions."

The second [challenge](#), led by Missouri's attorney general, is expected to be formally filed in the coming days. This challenge argues that the administration lacks the authority to carry out the repayment plan.

"Between our two coalitions of states, we will get this matter in front of a judge even more quickly to deliver a win for the American people," writes Missouri Attorney General Andrew Bailey. "The Supreme Court sided with Missouri on this matter the first time. I look forward to bringing home yet another win for the Constitution and the rule of law."

While the challenge plays out in the courts, Senate Democrats have moved to codify the program through new [legislation](#), but it is unclear if the bill can overcome a potential filibuster. The bill is also unlikely to be taken up by the Republican-led House.

FSA Releases Details on Three Additional Issues With FAFSA Applicant Records

FSA, [via an electronic announcement](#), released more details on three issues concerning tax data reported on Institutional Student Information Records (ISIRs).

FSA initially acknowledged that it was aware of issues reported by financial aid offices involving tax data on ISIRs and said it would investigate these issues. On Monday, FSA said the Department of Education (ED) and the IRS identified three issues that impact a subset of ISIRs, fewer than 20% in total. Across these three issues, the Department will reprocess 5% of previously submitted FAFSA applications because the errors would result in decreased financial aid eligibility for students if unresolved. The department plans to reprocess those records as soon as the functionality is available in the first half of April.

These issues are part of an already rocky rollout of the 2024-25 FAFSA, which NASFAA President and CEO Justin Draeger said has been plagued by issues of broken trust, data integrity, and missed deadlines.

According to FSA, two of the three issues may occur for students and their contributors who successfully had federal tax information (FTI) transferred via the IRS Direct Data Exchange (DDX). The third issue impacts students and their contributors who were required to manually enter their income and tax information.

Specifically, the first issue FSA identified involves the data for education tax credits — which impacts about 15% of FAFSA applications. Financial aid administrators had reported that the amount transferred by the DDX did not always match the actual reported amount on the applicant's federal tax return. FSA stated that the IRS has updated the DDX to include the actual reported amounts of education tax credits for any new FAFSAs submitted as of March 30.

Further, FSA said it will reprocess affected ISIRs if it is expected to reduce the applicant's Student Aid Index (SAI), meaning they'll be eligible to receive more financial aid through the reprocessing. According to FSA, about 5% of FAFSAs fall into this group.

For the other 10% of FAFSAs, FSA noted that reprocessing would increase students' SAI and reduce their financial aid eligibility. ED will assume that institutions will intend to use current ISIRs for these students unless an institution initiates ED to generate a new ISIR for that student. Aid offices may use their professional judgment and request that ED reprocess any one or more of these FAFSAs. More information on this process will be available in the coming weeks, according to FSA.

The second issue involves inconsistencies with tax data for adjusted gross income (AGI) and filing status. Specifically, FSA found if taxpayer information is updated through an amended tax return or other adjustments, the DDX is transferring the amended AGI and filing status and the original values for other tax return elements.

According to FSA, the IRS will update the DDX to include tax data from the taxpayer's original tax return. After the IRS makes this update, the DDX will not include amended or updated tax information and will use original tax data consistent with the methodology used by the Data Retrieval Tool (DRT) for past years of the FAFSA. However, FSA noted that a 2024-25 ISIR will not include the flag indicating that an amended tax return was filed.

FSA estimates that this issue affects fewer than 2% of processed ISIRs. Again, ED will reprocess affected ISIRs if it is expected to reduce a student's SAI and increase the student's eligibility for financial aid. Aid offices may use their professional judgment and request ED to reprocess one or more of these FAFSAs.

The third issue deals with inaccurate instructions on the FAFSA form. Specifically, the written instructions on the FAFSA form for applicants who are manually entering their income taxes paid and/or their education tax credits are inconsistent with the data transferred from the IRS through the DDX process, FSA found.

FSA said this issue affects "a very small number" of FAFSAs and that the department will amend the FAFSA instructions to align with DDX. Further, the department clarified it will not consider manually entered data on affected FAFSAs to be conflicting information. But, institutions may use their own discretion to make corrections with what was manually entered by an applicant and what is being reported via the DDX.

Along with details on these three issues, FSA announced that it will release "as soon as possible" a list of Universally Unique Identification Numbers (UUIDs) corresponding to the FAFSAs that it does not intend to automatically reprocess because they are unaffected by any identified issue. FSA stated that institutions and states will be able to use this list to identify the students for whom they have accurate information. ED will also release a set of criteria that institutions could alternatively use to run a query to identify unaffected student records.

ED will also identify ISIRs that are affected by these issues, but does not plan to reprocess, because doing so would result in lower financial aid eligibility. Institutions may use their professional judgment to request that the Department reprocess any one or more of those FAFSAs.

In its announcement, FSA also gave an update to another issue. [Earlier in March](#), ED identified an issue with how student assets are factored into the calculation of dependent students with ISIRs and stated that it would reprocess all affected FAFSAs. On Monday, FSA updated its guidance to state that it will reprocess affected FAFSAs only when the corrected data and calculations would reduce students' SAI. Due to the nature of the issue, where some dependent student assets were not included when they should have been, it appears that very few, if any, FAFSAs affected by this issue will be reprocessed.

Additionally, FSA noted that it will be providing a daily message every morning this week summarizing updates and sharing additional information to students, their families, institutions, states and other stakeholders. These daily messages will be posted on the [2024-25 FAFSA Fast News webpage](#).

Statement on FAFSA Tax Data Errors

On Monday, the U.S. Department of Education released more details on three issues concerning tax data reported on applicant records through the Free Application for Federal Student Aid, or FAFSA. As a result, more Institutional Student Information Records, or ISIRs, will eventually need to be reprocessed by the Department and resent to schools, leading to further delays in these students receiving their financial aid offers.

ED Provides Safe Harbors and Additional Details on How to Document and Package, for Certain ISIR Errors

In its [latest electronic announcement](#) the ED reiterated that it will [reprocess](#) all Institutional Student Information Records (ISIRs) impacted by recent errors, and also includes further instructions on how to meet professional judgment and compliance requirements if a school elects to award on an original ISIR with a lower SAI rather than a reprocessed ISIR.

The announcement provided three conditions, that must all be met, for institutions to use their judgment to rely on the original ISIR sent—not the reprocessed record—to send out aid offers. The original ISIR must:

- Be “based on a 2024-25 FAFSA form and is the basis for aid offered and disbursed during the 2024-25 award year.”
- Result in “greater financial aid eligibility for students,” meaning it has a lower SAI. However, if a reprocessed ISIR results in greater financial aid then schools can only make estimated offers and will need to use the reprocessed record when determining final offers and disbursing funds.
- Be subject to reprocessing due to one of nine specific errors, documented in [guidance from April 10](#) and outlined in this most recent announcement.

If an institution chooses to award on the original ISIR that has a lower SAI then according to ED the case-by-case requirement outlined by professional judgment has been met.

The guidance also provided details on how schools should approach this use of professional judgment, and how to ensure compliance. Institutions must document and maintain a record, in the student file, detailing how it determined aid eligibility, including the original 2024-25 ISIR and the reprocessed record demonstrating the lower amount of aid eligibility.

“When considering an institution’s compliance with Title IV, HEA requirements related to the packaging or processing of Federal student aid, the department will make its assessments in light of these instructions and the unique circumstances in which institutions are being asked to make judgments about correct award amounts of Title IV, HEA funds,” the notice reads.

ED specifically states that following the instructions in this announcement will not, in and of itself, create compliance concerns, nor will an institution’s decisions on packaging as described in this announcement on their own, lead the department to initiate a program review.

"Our Confidence With the Department of Education Is Wavering:" Members React to the Rocky Rollout of the 2024-25 FAFSA

Over a year ago, in March 2023, federal officials revealed publicly for the first time that due to its massive overhaul and redesign, the FAFSA application for the 2024-25 school year would not launch on October 1, as it has in past years. In the months leading up to the public launch, confusion and a lack of guidance left schools scrambling to prepare, while delays, glitches, and errors have continued to complicate the process in the last several weeks.

Now, over a year later and four months after the 2024-25 FAFSA officially launched, financial aid offices are still grappling with the avalanche of repercussions of those errors and delays — [all the while new ones continue to surface](#).

The FAFSA Simplification Act, which was signed into law in December 2020, aimed to overhaul and simplify the application process with fewer questions, a revamped website, a new, more generous Student Aid Index (SAI) formula to replace Expected Family Contribution, and more. Meanwhile, the enactment of the FUTURE Act allowed for direct data sharing between the IRS and the Department of Education (ED), which would aid in reducing the number of questions, reducing the need for verification, and strengthening program integrity.

But the process of implementing those changes has been anything but simple, financial aid administrators argue. Initially, many financial aid administrators were already apprehensive of the implementation of FAFSA simplification – even before federal officials would not commit to an October 1 launch date. That apprehension only grew in the months to come, as ED repeatedly gave vague guidance on when and how implementation would work.

For instance, even for the much smaller provisions of the FAFSA Simplification Act that were put into place for the 2023-24 aid cycle, ED did not issue implementing guidance until a month after that year's FAFSA launch. The Office of Federal Student Aid (FSA) also failed to release a project plan with key milestone dates until March 2023, after confirming that the new FAFSA would not be released until sometime in December. FSA used the same type of messaging — giving date ranges rather than specific dates — in November 2023, when it announced the FAFSA would go live by December 31, 2023, meeting the statutory requirement that the form must be available by January 1.

ED never specified an exact launch date, but instead opted for a “soft launch,” which came with frequent maintenance outages and reported glitches. NASFAA President and CEO Justin Draeger [called](#) the soft launch “challenging” at the time and noted that students and aid offices were understandably frustrated.

Delays, Glitches, and Broken Trust

Now, almost four months after the FAFSA's rocky launch, Draeger is still ringing alarm bells on issues that keep appearing with the 2024-25 FAFSA. At times, it feels like every week there are new issues financial aid professionals are working on, Draeger said, that have been either identified by other aid professionals or the department itself.

And that's created a strong sense of uncertainty and concern for a lot of financial aid professionals.

“There's the theme of fear, that there's always going to be yet another thing that prevents administrators from being able to get aid offers out, knowing that everything they have is correct — that the student and FAFSA applicant information is correct,” Draeger said.

The issues weren't limited to the FAFSA form itself. In November 2023, ED confirmed that institutions will not begin receiving Institutional Student Information Records (ISIRs) until the end of January 2024. However, ED would later backtrack that statement the very day institutions were supposed to start receiving applicant information.

On January 30, 2024, ED announced that institutions and states would begin receiving ISIRs in the “first half of March.” This announcement came a week after ED had publicly acknowledged another issue and said that it would be updating data tables used in the Student Aid Index (SAI) calculation to account for inflation for the 2024-25 award year, which it had mistakenly left untouched with outdated information.

For Draeger, this was one of the lowest points of the 2024-25 FAFSA rollout.

“When ED did acknowledge [the ISIR delay] it was often buried in a lot of words of positivity,” he said. “When you're starting to do that in electronic announcements on what is clearly bad news, it starts to break down the trust between working professionals and the Department of Education on what are some of the biggest changes in federal methodology in decades. What I'm hearing from our professionals is that these sorts of communication lapses really set the stage for what ends up being a relationship of distrust in the months that followed.”

Most of all, financial aid administrators are worried about how these delays will impact students. Brenda Buzynski, assistant provost and director of student financial aid at the University of Iowa, says she's concerned that these delays could add to the stress students feel when deciding where to enroll in college. At the same time, Buzynski says there's a feeling of distrust among those in the financial aid community, as some worry that priorities have been misplaced.

“Our confidence with the Department of Education is wavering,” Buzynski said. “I'm very concerned. And from a larger perspective, I'm very concerned that politics is getting in the way of serving students. I think we're losing sight of what everyone's role is in this entire FAFSA process.”

Joshua North, director of financial aid at Bridgewater College, shared a similar sentiment and argued that the FAFSA rollout could have gone more smoothly if ED was more forthcoming about delays.

“It would be nice to be able to see what is going on behind the scenes and to get an update from ED, instead of sitting on months of radio silence and not knowing when the next news drop is going to be,” North said. “That's not how you foster trust within a relationship. We need to have trust coming from both directions.”

Delays haven't been the only issue with the rollout of the 2024-25 FAFSA, though. There have been technical issues, too. That includes, notably, issues for FAFSA contributors without Social Security numbers not being able to complete their sections of the FAFSA in the first two-and-a-half months of it being live, which ED said in the middle of March it has resolved. A full list of technical issues can be found via FSA's online guide, along with the status of these issues.

North says he and his colleagues fear that these issues could result in students giving up on the FAFSA process altogether.

“The major problem that I have, with the concerns of the delay, is how many students don't exactly know what's going on,” North said. “They don't know how much in financial aid they could possibly get. We don't know how many of those students will just give up because they don't understand the financial aid process.”

As NASFAA and other higher education organizations have said, delays with the FAFSA critically impact low-income students who depend on accurate and timely financial aid offers to make decisions about where they'll attend college.

And we're seeing the results of these delays and errors in real time. NCAN is currently [tracking FAFSA submission and completion rates](#) from high school seniors. As of March 29, [there was a 40% decrease](#) in FAFSA completions compared to the last academic year.

In a recent [op-ed in Inside Higher Ed](#), DeBaun stressed that there's still time to help students who have not yet submitted the FAFSA, but the window is quickly closing. He added that this is an "emergency for high school seniors," especially seniors from low-income families and first-generation backgrounds – many of whom are students of color.

"This isn't the time for retrospective recriminations about who did what, or what could have been different," DeBaun wrote. "There will be plenty of time for that later. What's needed now is a concerted 'complete the FAFSA' message to echo from every available channel and bully pulpit."

Advocacy in Action

With all the unresolved issues of the 2024-25 FAFSA, NASFAA and other organizations have urged ED to take several steps to make the process easier for students, and to ease the burden on financial aid offices across the country as they prepare to package aid offers.

That includes multiple letters sent beginning in 2021 urging ED to swiftly implement changes to the FAFSA and clarify exactly when the new FAFSA would officially launch, and [calling on ED](#) to provide temporary relief from burdensome requirements on students and institutions, including lowering verification selection rates, and delaying reporting requirements for gainful employment (GE) and financial value transparency (FVT). NASFAA created a full timeline of its advocacy during this time.

In February, ED confirmed it would "significantly" reduce verification requirements, suspend all new program reviews through June of 2024 except in instances where there are "serious issues" stemming from suspected fraud, and waiving the 90-day recertification window for schools whose Program Participation Agreement (PPA) expires in March, June, or September 2024.

Additionally, in late March the department confirmed it would delay the institutional reporting deadline for GE and FVT from July 31 until October 1, 2024. Along with those actions, ED in February announced a new FAFSA support strategy to support financial aid offices.

Just last week, Draeger testified in front of the House Subcommittee on Higher Education and Workforce Development, outlining the failures of the 2024-25 FAFSA rollout. In his opening remarks, Draeger noted that this year's rollout is "so far behind a normal schedule" that the delay in delivering financial aid offers could cascade into additional delays impacting student aid disbursements for the 2024-25 aid year.

"Financial aid professionals are witnessing the real impact of bureaucratic missteps on our most vulnerable students," Draeger wrote in his testimony. "We need better communication and answers, not excuses. It's not about politics; it's about accountability and improvement."

NASFAA, along with other higher education organizations, has also called on institutions to provide flexibility to students and families as they consider their offers of admission and financial aid. And many institutions across the country have already extended their decision deadlines.

Where We Stand Now

Now, as institutions continue to receive ISIRs, aid offices are still dealing with technical errors. That includes [three issues ED identified](#) earlier this month concerning tax data provided by the IRS on ISIRs, and another at the end of March impacting how student assets are factored into the SAI calculation — all of which will require the reprocessing of hundreds of thousands of applicant records.

“I think a lot of aid offices’ heads are spinning right now trying to figure out the implications of the latest policy guidance and how they’re going to be able to implement this on their campuses,” Draeger said. “And we’re seeing, hearing, and feeling a lot of raw emotion, frustration, and confusion.”

Additionally, institutions are still waiting for the department to allow students to make corrections on their FAFSAs, which ED said should be available in April. On Tuesday, April 9, ED announced [that it was aiming](#) to make FAFSA student corrections available broadly this week. However, on Friday, ED also posted four issue alerts on FAFSA student corrections, with only one workaround solution.

As of now, ED has not given institutions a timeline of when schools will be able to make corrections.

At NASFAA, members have gathered in our communities to discuss and problem-solve errors and issues they’re seeing with ISIRs. Draeger noted a positive outcome of this rollout is the collaboration between financial aid professionals across the country, either through NASFAA communities or different listservs.

Draeger noted that while it's hard right now for most financial aid professionals to see the positive, he hopes this year’s challenges will bring a better FAFSA process in the future, saying it would be “shameful for us to go all the way through this and not look backwards and have some lessons learned so that we can improve the federal government’s processes on the other side of this.”

“I still hold on to the promise that this is going to be a better process for students on the other side of this, and that more applicants will qualify for Pell Grants,” Draeger said. “I just don't know how much of that will have been diminished by this rollout. How many students will have decided not to attend? How many institutions will bear permanent enrollment and financial scars from this rollout?”

White House Kicks off the “National FAFSA Week of Action”

The Biden administration has marked the week of April 15-19 as the “National FAFSA Week of Action” and is urging stakeholders to encourage high school seniors to complete their 2024-25 FAFSA form through in-person and virtual events. In order to help boost completions for the FAFSA, which has been incredibly difficult for students due to the delayed and glitchy soft launch, the ED is inviting various organizations to engage in activities like workshops, webinars, and community events, as well as amplifying the form through social media campaigns and direct communication through text and email. [Learn more](#) about the administration’s efforts to encourage students to complete their application.

ED Adds Four Issues Alerts on FAFSA Student Corrections

FSA announced that it was aiming to make FAFSA student corrections available broadly this week, and posted [an electronic announcement](#) on Thursday that student corrections were in the final testing phase. However, on Friday, FSA posted [four issue alerts](#) on student corrections, with only one workaround posted so far. NASFAA will provide more information as it becomes available.

ED Details COD System Implementation for 2024-25 Award Year Beginning April 21

The ED in an [electronic announcement](#) detailed its planned implementation of Common Origination and Disbursement (COD) System functionality, which supports campus-based programs and the processing of student aid program awards for the 2024-25 award year, that will require a suspension of batch processing from 11 p.m. ET on Saturday, April 20, 2024, to 11 a.m. ET on Sunday, April 21, 2024. During the outage users will not be able to submit or retrieve data from the COD website and they will be unable to access COD reports. ED also provided attachments with [reminders](#) for the 2024-25 award year and [system changes](#) that will be implemented on April 21, at which time, following the suspension of processing, schools can begin to send records to COD.

ED Revises Loan Consolidation Guidance for Incarcerated Borrowers

The ED in a recently [revised notice](#), announced it will allow incarcerated individuals who are not currently students to consolidate their student loans.

The department said the guidance will help incarcerated borrowers manage and repay their loans by allowing these individuals to access income-driven repayment options. According to ED's interpretation of its authority under the Higher Education Act of 1965, as amended (HEA), incarcerated individuals, but not incarcerated students, are allowed to consolidate their loans. The guidance became effective on April 16, 2024.

The administration also reminded incarcerated borrowers that they can still sign up for the operation "[Fresh Start](#)" program through September 30, 2024, which is another pathway for borrowers to exit default. However, this program is only temporary so borrowers will need to sign up through their servicer in order to receive the benefits of returning to a current repayment status.

"Prior to today's announcement, borrowers who are incarcerated with loans other than Direct Loans had limited options to get out of default," the White House wrote in a statement. "Now, these borrowers will have an easier path to get out of default—stopping harmful credit reporting and improving future financial prospects—and return to repayment status during their incarceration."

NASFAA Submits Comments on Proposed Gainful Employment and Financial Value Transparency Reporting Requirements

NASFAA submitted to the Department of Education (ED) its [comments](#) on ED's proposed Gainful Employment (GE) and Financial Value Transparency institutional [reporting requirements](#). NASFAA

expressed concern that ED's recently announced 2-month reporting [delay](#) is insufficient because of the significant and ongoing issues with the FAFSA. NASFAA also provided several technical comments and suggestions.

10 Recommendations Experienced Financial Aid Professionals Have for Those Who Are New to the Field

Whether you're fresh out of college or transitioning from another field, the insights and recommendations from seasoned financial aid administrators can help guide you as you get started in the financial aid profession. To shed light on the essential advice for newcomers, NASFAA has compiled a list of ten recommendations directly from some of its [Most Valuable Professionals \(MVPs\)](#).

1. Find a mentor

"I think one of the biggest recommendations I have is to find a mentor, find somebody who's going to be your cheerleader, who's going to cheer you up on the tough days, and celebrate with you on the great days. And then pay it back. Once you've found somebody who's in your corner and is a mentor for you, then find somebody you can be a mentor for."

Heidi Carl, Executive Director of Financial Aid, Purdue University

2. Be patient

"First of all, I would say give yourself grace. Be patient with yourself because financial aid, I can't say it enough, is hard. Financial aid is complicated, financial aid is not something where you read a book and you're done, even though I've heard that before. People think you could just read a manual and then you're all done."

Dr. Kimberley Willis, Director of Financial Aid at The College at Brockport State University of New York

"For somebody just getting started, I also recommend people to be patient with themselves. Financial aid is so broad. There's so much information to consume, and you don't have to know it all at the same time. But I think the strength that some of our best professionals have is to know where to find the answers. Be humble. Know that you're not going to know it all the time and engage in problem solving strategies will help you be successful."

Amy Hager, FAAC®, Director of Financial Aid, Moberly Area Community College

"The big one, I think, is that learning about financial aid can be overwhelming because there's so much to learn. But all of us still, even after 32 years in the profession, consult the [Federal Student Aid \(FSA\) handbook](#) and we ask questions, and we have things we have to learn because just as you learn things, things will change. So that's a big one — just to continue to learn and be patient, because none of us know everything."

Heather Boutell, FAAC®, Director of Financial Aid at Vanderbilt University School of Medicine

3. Get involved

"I know financial aid can kind of be a lot sometimes, but I promise, if you breathe and you begin to network within the financial aid family, and get involved within your associations from a state, regional, or even a national level, then I promise you it will be well worth it."

Jacquelyn LeSueur, Associate Director of Financial Aid at Mississippi State University

“I would say to be involved in committee work and to eventually serve in leadership capacities. Involvement with your colleagues in this profession is a very, very rewarding experience.”

Kathy Bialk, FAAC®, Executive Director of Student Financial Aid & Scholarships at University of Kentucky

“There are also states and regions that offer scholarships to the annual conference, if you've not been. I know both Illinois and Indiana did and I received the one for ILASFAA, the Illinois Association, and MASFAA, the regional association. Those really springboarded me into my involvement within association work.”

“I would also recommend just being on the lookout for other opportunities. I was a member of NASFAA's Diversity Leadership Program, and other states and regions offer great programs.”

Alex DeLonis, FAAC®, Assistant Vice President of Student Financial Services, Saint Louis University

4. Never stop learning

“Newer staff should fully embrace all the training workshops that they can attend, their state conferences, and credentials, which I was very involved in for the last five years through EASFAA. The credentials are great and targeted and easy to achieve.”

Catherine M. Boscher-Murphy, Associate Director of Financial Aid at Montclair State University

5. Network and build relationships

“Making those industry connections is really, really helpful because there's a willingness to share that I don't think you find in other industries. I'm at the point in my career where I try to be that person for others. I try to make sure to pay it forward.”

Charles R. Mayfield Jr., FAAC®, Director of Financial Assistance at Northwest Missouri State University

“The most important thing is to make connections. I don't think I would be in my position without networking.”

Nicholas Prewett, FAAC®, Executive Director of Financial Aid, Stony Brook University

“I would say to anyone starting out that financial aid is a unique profession. It's very family-oriented, meaning all the professionals within the profession are like family. We speak the same language, we understand each other, and someone is always available to help you. It's one big network.”

Joan Bailey, Director of Financial Aid at University of South Florida Health Office of Financial Aid

6. Trust and lean on your colleagues

“The connections you make with your colleagues are vital, so besides working hard to advance your career, you should also work on building relationships both in your office, across your institution, and also in your regions.”

Brian Drabik, FAAC®, Director of Financial Aid Operations at Northwestern University

7. Explore higher education and seek a broad understanding

“I would urge new people to the field to explore higher education and seek a broad understanding of not just the specific area to which you're assigned, but seeking out the context of the work of our colleagues across the institution, understanding what teams are trying to accomplish, and understanding the purpose of student activities. Each area you uncover and learn more about will help you in holistic decision-making and in identifying the broad impacts of the decisions you make and the actions you take.”

Gena Boling, FAAC®, Associate Vice Provost for Enrollment at Cornell University

8. Get out of your comfort zone and say “yes” to new opportunities

“I have a bit of a life philosophy, where it’s basically found in my ability to say ‘yes’ to new opportunities. So my recommendation, especially at a professional setting, is when you’re asked to take on a new project, to try something new, or to get out of your comfort zone, be OK with saying ‘yes’ because you never know what that's going to lead to.”

Patti Kohler, FAAC®, Vice President, Financial Aid at Western Governors University

“I'd also say when you're ready, I recommend people trying to present or teach about financial aid topics, as it is a great way to become and stay well informed about the programs and rules that we work with. I think every time I present on a topic in financial aid, there's either some nuance that I am thinking about it in a different way, or I learned something that maybe we've been doing in a way that could be done better. I think putting yourself out there is a great way to engage and learn in the profession.”

Ryan West, FAAC®, Executive Dean of Student Services at Chemeketa Community College

9. Build your time management skills

“There’s also the importance of time management. I do have an MBA and found myself using a lot of the things I've learned during my time matriculating through that program that helped me keep from being so overwhelmed when you have all of these deadlines. It's better to just map out a plan. It is even in the Bible, ‘Without a vision, the people perish.’ So sitting down, mapping out a plan, and prioritizing what's within that plan will go a long way.”

Sharmain Lazard-Talbert, Interim Assistant Director Enrollment Services at Southern University at Shreveport

10. Don’t lose sight of your why

“It's also important to realize what a difference you make for students. It may seem like a day-to-day call or something, but some of that advice that you give a student, you don't even realize until you meet that student later on at graduation, what impact you had on their college career.”

Traci Armes, FAAC®, Deputy Director, Scholarships and Financial Aid at University of Texas at Austin

“We serve. We are not here for ourselves, we are here to make the next thing better for people and I think that's what I would say. Don't get discouraged with the regulatory mess that we feel like we live in sometimes — because it's so much bigger than that. The impact that we can have is worth every one of those millions of pages of regulations and that's easy to forget sometimes, because it's a tough job.”

Melet Leafgreen, FAAC®, Director, Student Financial Aid at University of Texas Southwestern Medical Center

A Message from NASFAA President Justin Draeger

NASFAA on Wednesday announced that its President & CEO, Justin Draeger, will be stepping down from his role, effective June 21, 2024, following the National Conference in Milwaukee, Wisconsin. Read the [full letter](#) to the financial aid community and catch up on [more details](#) concerning this upcoming transition.

NASFAA Signs on to Letter Requesting ED to Further Delay GE Reporting Requirements

NASFAA signed on to a letter led by the American Council on Education in response to the ED's information collection request on gainful employment (GE) and financial value transparency (FVT) reporting requirements. In March, ED announced that it would delay the institutional reporting deadline for GE and FVT from July 31 until October 1. In the letter, NASFAA and other higher education organizations urge ED to further extend the October 1 reporting deadline and allow for ample time to implement any additional required reporting that would be published in a future Federal Register notice.

FSA Chief Richard Cordray to Step Down at the End of June

FSA Chief Operating Officer Richard Cordray will formally step down from his role at the end of June, the Department of Education announced on Friday. The announcement came shortly before the expiration of Cordray's three-year contract and follows significant criticism of the department's handling of the 2024-25 FAFSA rollout.

Though Cordray's contract was slated to expire at the end of this month, he will remain in his position through the end of June to "oversee the completion of key priorities within the organization," per remarks given by Education Secretary Miguel Cardona.

"We are grateful for Rich Cordray's three years of service, in which he accomplished more transformational changes to the student aid system than any of his predecessors," Cardona said, noting of Cordray's involvement in overhauling the Public Service Loan Forgiveness (PSLF) program, the development of the SAVE Plan, as well as resurrecting FSA's enforcement unit. "As his consequential tenure comes to an end, we thank Rich for his tireless work and commitment to provide the service that our students, families, and institutions deserve."

In an email to staff, Cordray wrote that he will continue to fulfill his current responsibilities for a transitional period as ED considers longer term operations.

Cordray joined the department in 2021 and was tasked with overseeing the nation's student loan portfolio, as well as a new strategic operating plan at FSA, among other things. He previously served as the director of the Consumer Financial Protection Bureau (CFPB) and as the attorney general of Ohio.

While ED has undergone significant changes in the regulatory landscape for its student loan portfolio, and its re-launched enforcement unit, it has also been tasked with implementing the simplified FAFSA. However, the form's overhaul has been riddled with delays, errors, and glitches and is still in the process of being implemented for the 2024-25 school year.

In recent weeks, lawmakers have begun conducting more vigorous oversight of the department's implementation of the form, with further hearings expected in the months to come.

Republicans have been particularly critical of Cordray's role within the department. Rep. Virginia Foxx (R-N.C.), now chairwoman of the House Committee on Education and the Workforce, expressed skepticism about a "failed Democrat politician," taking over as the head of FSA at the time of Cordray's appointment.

In response to Friday's announcement Foxx doubled down on her critiques of Cordray and called for new leadership to address the FAFSA fallout, [writing](#) that "Federal Student Aid needs a leader that students, families, and institutions can rely on to put politics aside and faithfully administer the law."

NASFAA Updates Comment Codes Crosswalk

NASFAA has shared its updated [Comment Codes Crosswalk](#), which incorporates the most recent [changes](#) made by the Department of Education in April, 2024.

ED Announces Completed Reprocessing of 'Nearly' All Impacted ISIRs

The ED announced [via an electronic announcement](#) that it has delivered the reprocessed Institutional Student Information Records (ISIRs) of "nearly all" impacted records to institutions and states. Earlier in April, ED announced that about 30% of FAFSA forms were potentially affected by known processing or data errors, and that it planned to reprocess these ISIRs and begin sending them to institutions by May 1. The electronic announcement notes that the reprocessing was completed over the weekend.

Importantly, ED noted that additional research into the IRS FA-DDX known issues determined that reprocessing some records outlined in [Electronic Announcement \(GENERAL-24-38\)](#) would not result in a change to the data provided on the ISIR. If reprocessing a FAFSA record would not result in an updated ISIR, they did not reprocess that record or send a subsequent transaction.

According to ED, as of Monday, the department has transmitted ISIRs from approximately 8.2 million FAFSA forms to institutions, states, and designated scholarship organizations. Further, per ED's notice, applicants' ISIRs are now being sent to institutions and states within 1 to 3 days of submission.

Department of Labor Releases Final Rule Lifting the Salary Threshold for Overtime Pay Requirements

The Department of Labor (DOL) last week released a [final rule](#) raising the salary threshold that would qualify for exemption from overtime pay (known as the "white collar exemption") under the Fair Labor Standards Act (FLSA), which would result in a greater number of employees eligible for overtime pay.

The rule, which takes effect on July 1, 2024, will raise the minimum salary threshold to \$43,888, then on January 1, 2025, the threshold will be raised to \$58,656. Any eligible employee earning under these thresholds would be eligible to collect overtime pay for any work completed over 40 hours. The floor will then be revised every three years thereafter.

This final rule is expected to be met with legal challenges. During the Obama administration a similar effort was ultimately stalled in federal court.

For those looking to learn more about the potential impact of the rule, College and University Professional Association for Human Resources (CUPA-HR) will be convening a [free webinar on May 8](#), where participants can learn how the rule will affect the higher education sector.

Back in February, CUPA-HR drafted a letter cosigned by a number of higher education associations to DOL expressing concern about the impacts of increasing the overtime salary threshold on institutions, their employees, and the students they serve.

More information on the final rule can be found on the [DOL's webpage](#).