

# Early FAFSA – What does the TELO need to know?

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JANET DODSON, ASSOCIATE DIRECTOR OF COMMUNICATIONS, TUITION EXCHANGE

BOB SHORB, EXECUTIVE DIRECTOR AND CEO, TUITION EXCHANGE

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# Today's focus

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Free Application for Federal Student Aid (FAFSA) application available October 1

Using 2015 IRS tax data again

Your institutional calendar and Tuition Exchange calendar

Collaboration and communication

# FAFSA application issues

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## 2017-18 academic year

- FAFSA can be filed as early as October 1, 2016
  - Using 2015 tax information
    - Thus the term Prior-Prior year
- FAFSA results are expected to be available within 3-5 days
- Families will expect financial aid details sooner

## What does this mean to Tuition Exchange applicants

- Does your school require a FAFSA as a part of the TE application process?
  - If yes, the family could expect their TE answer much sooner
- Regardless, there will be an expectation for much earlier answers

It does make sense that students can now apply for financial aid AND admissions at the same time

# FAFSA application issues

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## Why prior-prior year implementation

Remember – FAFSA completion is one piece of the total college decision process

- Perceptions
  - low income families do not file for federal student aid
  - low income families do not attend college because of lack of awareness of financial aid options
  - Using two year old tax information will make the financial aid process less cumbersome
- Concerns
  - Schools will change their admission application datelines
  - States will move up their application deadlines for state grant programs
  - Financial Aid priority dates will be moved forward

# FAFSA application issues

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## **Prior to October, 2016**

FAFSA application process today

Available January 1 of spring semester

Uses previous year federal tax information

Requires many FAFSA filers to use estimated data, with the expectation of correction later

Creates obstacles for meeting priority filing dates

Can potentially cause stress and less informative college decisions

## **Beginning October, 2016**

FAFSA application process 2017-18 and beyond

Available in October of the previous year

Uses federal tax data from two years prior

Enables additional filers to use the IRS Data Retrieval Tool reducing the need to amend later

Removes barriers created by priority dates

Likely to improve financial aid information in advance of college decision dates

# Using different federal tax year data

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The process of an IRS Data Retrieval Tool (DRT) transfer to the FAFSA application will be more efficient

Federal tax data will be confirmed

There is a perception that the majority of federal tax filers will have the federal return filed

- Often low income families aren't required to file or don't file a federal tax return
- Will this create a new requirement that all who earn money must file a federal tax return
- Will this create a new stress on an already taxed system
- Will this create new expectations for schools to police the non-filers

# Using different federal tax year data

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## Family issues that will affect schools

- Financial changes
  - Change of jobs
  - Loss of job
  - Early retirement
- Family dynamics
  - Divorce
  - Death
  - Health care costs
  - Support of aging parent or other family member

Families are quick to point out the unsavory happenings in their life but...

- Financial upswings may cause just as many challenges when they occurred two years ago

# Reviewing your institutional and Tuition Exchange Calendar

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## Current events

Today – admission and TE applications are made by high school seniors

Admissions – students typically admitted based on 7 semester academic transcripts

Financial Aid – award packages that include federal funds are generally processed beginning in late February

Tuition Exchange – awards decisions begin in January but many schools have later or rolling priority dates

## Tomorrow's potential outcomes

2017-18 – admissions and TE applications may be made by high school juniors

Admissions – will be working with a younger class of student applicants with fewer academic credentials

Financial Aid – financial aid awards may be rolled out in October not February

Tuition Exchange – award decisions will be expected sooner



# Reviewing your institutional and Tuition Exchange calendar

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## Need to know...

- Tuition rate/Set Rate
- Number of potential exports
- Affordability of potential imports
- Financial Aid/Tuition Remission budget

# Reviewing your institutional and Tuition Exchange calendar

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Tuition Exchange system has two years open

Institutional systems will need at least two years open

Families will want answers sooner

- Export
- Import

Annual Report due date beginning 2017-18 will be September 30

# Reviewing your institutional and Tuition Exchange calendar

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Tuition Exchange Central is creating an online application

TE EZ application (Tuition Exchange Easy Scholarship application)

- The application will be generic
- The family will use it to create their TE application
- The application is sent to the EXPORT school for approval
- The application, once approved by the EXPORT school, will be sent to the student indicated import choices

TE Central is in the process of testing the TE EZ application

- Stay tuned for upcoming announcements very soon

# Reviewing your institutional and Tuition Exchange calendar

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Starting in 2017-18 potentially every student is an EARLY ACTION student

- Early Action means – student has until May 1 to make their college decision
- Early Decision means – student's college decision is binding
- Regular Decision means – student has until May 1 to make their college decision
  
- Check out the TE front page
  - Currently dedicated to families seeking TE information

As a reminder National Association of College Admissions Counseling (NACAC) institutions agree to allow regular decision admission applicants have until May 1 to accept their admissions, institutionally-affiliated aid and scholarship offers

- Not sure if your school is a member? Check with your Enrollment Management team

# Reviewing your institutional and Tuition Exchange calendar

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The following table provides a summary of key dates as we transition to using the early FAFSA submission timeframe and earlier tax information.

WHEN A STUDENT IS ATTENDING COLLEGE (SCHOOL YEAR)	WHEN A STUDENT CAN SUBMIT A FAFSA	WHICH YEAR'S INCOME INFORMATION IS REQUIRED
July 1, 2015–June 30, 2016	January 1, 2015–June 30, 2016	2014
July 1, 2016–June 30, 2017	January 1, 2016–June 30, 2017	2015
<b>July 1, 2017–June 30, 2018</b>	<b>October 1, 2016–June 30, 2018</b>	<b>2015</b>
July 1, 2018–June 30, 2019	October 1, 2017–June 30, 2019	2016

# Collaboration and Communication

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Who is the audience

What information does the audience need to know

When does the audience need to know the information

Why does the audience need to know the information

Where does the audience learn the information

How does the audience get the information

# Collaboration and Communication

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## External audiences

- Confusing messages
- Too many messages
- Nothing shared applies to me
- Mom wants the message in writing
- Who can I call for more information
- What does this really mean?

# Collaboration and Communication

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## External audiences

- New students
- Continuing students
- Transfer students

## Internal audiences

- President's Cabinet
- Chief Business Officer
- Admissions/Enrollment Management/Financial Aid
- Human Resources
- Tuition Exchange Liaison Officer
- Academic Affairs/Student Retention Office



# Collaboration and Communication

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Be careful of the hype regarding the FAFSA change

Students can apply earlier

Earlier applications create earlier and better outcomes

If your school doesn't meet the expectation

Students will move on

Families looking for the best cost

Reputation and brand important but...

# Collaboration and Communication

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## Internal audiences' needs...

- Create new marketing materials that speak differently about decision making
- Developed understanding of the importance of setting tuition earlier in the current academic year
- Better application data projections earlier
- Tracking of employee dependents for purposes of tuition remission and exchange benefits
- Educational blasts to current students and their families about the FAFSA calendar changes
- Improved budget forecasting for purposes of setting financial aid funding
- Confirmation that software vendors are able to provide the necessary framework to support the FAFSA changes timely

# Collaboration and communication

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## Financial Aid, Admissions and Human Resources

- More important than ever to share
- Review your policies for TE EXPORT eligibility
  - Especially time on the job
- Review your policies for TE IMPORT eligibility
  - Especially application deadlines
- The original purpose of each may need tweaking
- The jury is still out regarding more or less students applying at more schools
  - My gut says students will apply to more schools AND
  - The early complete financial aid package will win the prize
  - Now there will be the issue of keeping the student engaged longer so they actually enroll
- It will be interesting to see how this affects employee retention and instead of senior parents wanting to work at your school, it will be junior parents

# Resources

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## Schools

- [www.nacacnet.org](http://www.nacacnet.org) – Admissions best practices and good explanation handout
- [www.nasfaa.org](http://www.nasfaa.org) – Financial Aid best practices and good explanations and variety of outside resources
- <http://financialaidtoolkit.ed.gov/tk/announcement-detail.jsp?id=2017-18-fafsa-changes> – Federal website dedicated to Prior-Prior year information
- [www.collegeaccess.org](http://www.collegeaccess.org) – great blog on thinking about the changes and reactions to the changes
- [https://www.nasfaa.org/new\\_nasfaa\\_report\\_one\\_simple\\_policy\\_change\\_could\\_improve\\_access\\_to\\_financial\\_aid\\_funds](https://www.nasfaa.org/new_nasfaa_report_one_simple_policy_change_could_improve_access_to_financial_aid_funds)

# Resources

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## Families

- [www.nasfaa.org](http://www.nasfaa.org)
- [www.collegeboard.com](http://www.collegeboard.com)
- [www.collegeaccess.org](http://www.collegeaccess.org)
- [www.nacacnet.org](http://www.nacacnet.org)

# Other Tuition Exchange updates

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Set-rate established for 2017-18

- \$35,000

Behind the scenes computer updates

- Enhanced security
- Individual sign-on
- TE EZ application (Tuition Exchange Easy Application)

Annual Report is due October 15, 2016

Table tents and family brochures are available for order

<http://www.tuitionexchange.org/vnews/display.v/ART/550748176bb92>

# TE Updates continued

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## 2016-17 in-person training

- Chicago in November, Tampa in January, San Diego in the spring
- Invitations will be emailed soon
- No cost for the training – meals will be provided
- Member school is responsible for transportation and lodging costs
- Meeting site will be close to the airport

Bob and Janet will be attending NACAC in Columbus, OH

Bob and Kristine will be attending CUPA-HR in Washington, DC

# Let's Recap

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Free Application for Federal Student Aid (FAFSA) application available earlier

Using different federal tax year for data

Reviewing your institutional calendar and Tuition Exchange calendar

Collaboration and communication



# Tuition Exchange Contact information

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Robert “Bob” Shorb – Executive Director/CEO

- [rshorb@tuitionexchange.org](mailto:rshorb@tuitionexchange.org)

Janet Dodson – Associate Director of Communications

- [jdodson@tuitionexchange.org](mailto:jdodson@tuitionexchange.org) or 402.418.1081

Kristine Lev – Assistant Director of Administration

- [klev@tuitionexchange.org](mailto:klev@tuitionexchange.org)

[www.tuitionexchange.org](http://www.tuitionexchange.org)

October 13, 2016 is our TE Monthly webinar -Marketing, Communications, Capacity and Policy and Procedure Updates.

Join the TE Central staff as we provide suggestions on ways to increase your TE footprint



This presentation was recorded and will be available inside the TELO Only Resources section soon