Federal and New York State Financial Aid Updates

Fall 2016
FAFSA & Federal Student Aid Updates
Major FAFSA Changes for 2017-18

• Application opened up on October 1\textsuperscript{st}, 2016 instead of January 1\textsuperscript{st}, 2017

• FAFSA requires students, parents to report “prior prior year” income and tax info instead of prior year
  – 2017-18 applicants will use 2015 income and tax info as opposed to 2016
2017-18 FAFSA Timeline

- 2017-18 FAFSA on the Web demo @ fafsademo.test.ed.gov – now available
- 2017-18 FAFSA on the Web application – now available
- IRS Data Retrieval Tool – now available
Get help paying for college
Submit a Free Application for Federal Student Aid (FAFSA)

New to the FAFSA?
Start A New FAFSA

Returning User?
- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

Login
Before Starting the FAFSA: FSA IDs

Students and at least one parent should apply for their own Federal Student Aid IDs (FSA IDs) before starting the FAFSA at FSAID.ed.gov.
FSA ID: Best Practices

• Students and parents should each create their own FSA IDs; as early as possible
• Having an email address is helpful, but not required to create an FSA ID
• An email address can only be associated with one FSA ID account
• Carefully record all info used to create the FSA ID
  – including user name, email address used, password and answers to challenge questions (case specific)
FSA ID Help

• Federal Student Aid Information Center (FSAIC): 1-800-4-FED-AID (1-800-433-3243)
  – Request escalation to the FSA ID team
• Web chat at FAFSA.gov
  – Help → Contact Us
Reminder: Student Dependency Status

• Generally, students under the age of 24 are required to report parent information
• However, students under 24 may be considered independent if they happen to be:
  – On active duty or a veteran of the U.S. armed forces
  – Married or are financially supporting their own child, other tax dependents
  – An orphan, in the foster care system or a ward of the court at any time since age 13
  – An emancipated minor or have a court-appointed legal guardian
  – Homeless, at risk of being homeless or an unaccompanied youth
Dependency Overrides for Other Issues

• Students with special circumstances that are not covered in the FAFSA Dependency Status section may be considered for a dependency override by their financial aid office

• Some examples of these situations include:
  – Incarcerated parents
  – Students fleeing from abusive household (substance, physical, emotional)
  – Parental abandonment
  – Death of custodial parent and student does not have contact with the non-custodial parent
Early FAFSA FAQ: Deadlines

• Have colleges change their financial aid application deadlines now that the FAFSA is available earlier?
  – Some colleges may have changed their financial aid application deadlines.
  – Students, especially those applying for early action or early decision, should check with their prospective colleges to determine what the deadlines are.
Early FAFSA FAQ: Reporting Income

• Can applicants opt to use tax year 2016 income and tax info instead of 2015?
  – No, students and parents completing the 2017-18 FAFSA are required to use income and tax info from 2015.
  – Applicants with special circumstances related to income should contact their prospective colleges’ financial aid office to discuss their situation
Special Circumstances with Income

• Expenses and income reductions that are caused by circumstances beyond a family’s control can be used to justify professional judgment.

• Aid administrators can make adjustments to income and asset data on the FAFSA to decrease the student’s Expected Family Contribution (EFC).
  – May increase their eligibility for Pell Grants, subsidized student loans, institutional need-based aid
Income Circumstances Justifying Review

• Examples of special circumstances related to income that can be reviewed for professional judgment:
  – Death, disability or serious illness of a wage-earner
  – Unusual capital gains or Roth IRA rollovers
  – Recent divorce of the student's parents
  – Loss of employment, temporary layoff or furlough of a wage-earner
  – Drop in income due to fewer hours or reduced salary
  – Change in income due to recent retirement
Early FAFSA FAQ: Reporting Tax Info

• Will the IRS Data Retrieval Tool be available when the FAFSA opens on October 1\textsuperscript{st}, 2016?
  – Yes, the IRS DRT will be available when the 2017-2018 FAFSA opens on October 1\textsuperscript{st}.

• Will the IRS be ready to accept IRS tax return transcript requests on October 1\textsuperscript{st}, 2016?
  – Yes, the IRS will respond to tax return transcript requests on and after October 1\textsuperscript{st}, 2016.
The IRS Data Retrieval Tool

- Connects to IRS for tax data of completed 2015 tax returns
- Available for first FAFSA submission or through correction
- Cannot be used if the student or parent:
  - Filed an amended tax return
  - Filed as “married filing separately”
  - Filed a foreign tax return
  - Has an IRS Tax-filer ID Number (TIN) instead of a Social Security Number
IRS DRT Reminder Screen

Applying is faster and easier with the IRS DRT!

Based on your response, we recommend that you transfer your information from the IRS into this FAFSA. The IRS Data Retrieval Tool allows users to link to the IRS Web site and securely transfer original IRS tax return information into their FAFSA.

If you use the IRS DRT, you will not have to provide additional IRS documentation later to qualify for federal student aid.

LINK TO IRS

No, Thanks
Early FAFSA FAQ: Marital Status

• The 2017-18 FAFSA will request the marital status of parents as of the day they are filing the application
• Divorced or Separated Parents
  – Custodial parents can subtract the info of non-custodial parent if they filed taxes jointly in 2015
• Currently Married/Remarried parents
  – Have to include the 2015 income of their spouse, even if they were not married and did not file together in 2015.
• Unmarried parents, living together
  – Required to report combined income from 2015
Married/Remarried Income Instructions

- Attention! You must provide financial information from your 2015 tax return on the following pages.
- You indicated that you recently married or remarried. To correctly answer the student financial questions, you must report information about you and your current spouse, even if you filed separate tax returns for 2015.

Application was successfully saved.

For 2015, have you completed your IRS income tax return or another tax return? Select

- NEED HELP?
- SAVE
- CLEAR ALL DATA
- VIEW FAFSA SUMMARY
- EXIT
Early FAFSA FAQ: Financial Aid Offers

• Will students receive their aid offers earlier if they apply for the FAFSA earlier?
  – Not necessarily. Some colleges will make aid offers earlier while others will not.
  – Students should check with their prospective colleges to see when they can expect an aid offer.
FinancialAidToolkit.ed.gov

- Early FAFSA Resources
  - Fact sheets, talking points
  - Table of FAFSA launch dates and tax years
  - Outreach calendar
  - PowerPoints, training webinars
Other FAFSA Changes for 2017-18

• New warning edits on the online FAFSA
• Adds the Medicaid Program to the list of means-tested federal benefit programs
• Non-tax filers selected for verification must provide aid offices with Verification of Non-filing Letter from the IRS.
• End of the V6 (Other Untaxed Income) verification tracking group.
FAFSA Changes: New Warning Edits

• For applicants that filed a 2016-17 FAFSA, the 2017-18 FAFSA on the web will have new edits that warn applicants if one or more of the income or tax amounts they have input differs from the amounts that was reported on their 2016-17 FAFSA
  – May help avoid verification issues
FAFSA Changes: Means-tested Benefits

• The 2017-18 FAFSA application includes the Medicaid Program as part of the list of federal means-tested benefit programs
  – Determines whether the student qualifies for a simplified needs EFC formula (skips asset questions)
  – Not all applicants will see the means-tested federal benefits question
FAFSA Changes: Non-filers

• For the 2017-18 aid year, students and parents who did not file a 2015 federal income tax return must provide colleges with a Verification of Non-filing Letter from the IRS if they are selected for verification
  – Letter must be dated on or after October 1, 2016
  – May be requested via the IRS online transcript request system at IRS.gov/transcript
FAFSA Changes: Verification Tracking

• The Office of Federal Student Aid has ended the V6 (Other Untaxed Income) verification tracking group.
  – Disproportionately affected low-income FAFSA applicants
  – Verification of these applicants did not lead to major changes in EFC
New York State Student Aid Updates
Enacted 2016 New York State Budget

• Authorizes NYS students to file their Tuition Assistance Program (TAP) application with the same tax data used to file the Free Application for Federal Student Aid (FAFSA)
Early FAFSA, Early TAP

• Students will be able to submit their FAFSA applications beginning October 1, 2016 for the 2017-18 award year

• Confirmation page of the FAFSA will provide a link for NYS students attending a NYS school to apply for TAP
Start Your State Application Link

2017-2018 Confirmation Page

- Your confirmation page has been sent to you at the e-mail address: johnny@aol.com

Confirmation Number: F 01100329505 08/11/2016 11:03:47
Data Release Number (DRN): 1946

Congratulations, johnny! Your FAFSA was successfully submitted to Federal Student Aid.

Does your brother or sister need to complete a FAFSA? If so, you can transfer your parents’ information into a new FAFSA for your brother or sister to save time. Your parents will have to provide a signature again, but that’s all.

Start your state application to apply for New York state-based financial aid.

What Happens Next

- You will receive an e-mail version of this page.
- In 3-5 business days, you will receive an e-mail notifying you that your FAFSA was processed.
- Your FAFSA information will be made available to your school(s), and they will use it to determine if you are eligible to receive aid.
- Your school(s) will contact you if they need more information or when they are ready to discuss your financial aid award.
- If you have questions about your financial aid package, contact your school(s).

School(s) on your FAFSA:

<table>
<thead>
<tr>
<th>School Name</th>
<th>Graduation Rate</th>
<th>Retention Rate</th>
<th>Transfer Rate</th>
<th>Additional Information from College Navigator</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYRACUSE UNIVERSITY</td>
<td>80%</td>
<td>92%</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Eligibility Information

- Estimated Expected Family Contribution (EFC) = 000000
- The EFC is a measure of how much you can contribute to the cost of your education. Schools use your EFC to determine your federal student aid eligibility.
- The EFC is not how much aid you will receive or how much

Based on the eligibility criteria, you may be eligible for the following:

- Pell Grant Estimate - $6,815.00
- Direct Stafford Loan Estimate - $5,500.00
- You may also be eligible to receive other federal, state, or institutional grants, scholarships, or assistance. Contact your school for more information.
Anytime TAP-on-the-Web Application

Welcome to TAP on the Web! This online application process allows you to apply for New York State’s Tuition Assistance Program (TAP). The New York State Higher Education Services Corporation (HESCC) is the State’s student financial aid agency, helping people pay for college by administering 19 student financial aid programs, including TAP, a highly successful College Savings program, and offering guidance to students, families, and counselors.

To complete your online TAP application, you must first create a user name and personal identification number (PIN). Click here.

If you have not submitted a FAFSA application, you may do so at: www.fafsa.ed.gov

TAP may be unavailable every Sunday from 1:00 a.m. to 11:00 a.m. Eastern Time. We apologize for any inconvenience this may cause.
Early TAP: Income Information

• For 2017-18, NYS students will file their TAP application with the same tax data used to file the Free Application for Federal Student Aid (FAFSA)

• Students will be able to use prior-prior year tax data (2015 tax information) to complete both their federal and New York State financial aid applications for the 2017-18 academic year
Early TAP: Processing

• Upon approval, students will receive notification of estimated TAP awards during the first week of October.
  – The awards will show a message that the award is an estimate until the 2017 NYS budget passes.
• During the first week of October schools will be able to see 2017-18 awards for their students online.
Enacted Budget for 2017

• All 2017-18 awards are estimates
• All awards are subject to change based on the 2017 NYS Enacted Budget
Early TAP: RFI’s & Income Verification

• Starting the second week of October, emails notifying students that their application is incomplete will be sent as applications are processed
  – Request for Information (RFI’s), Change Forms and Residency Questionnaires
  – Students can log into their HESC account to provide necessary information

• Income verification with NYS Department of Taxation and Finance will begin mid-October 2016
  – Students will be notified if we are unable to verify income
Early TAP: Income Adjustments

• For TAP Income adjustments are allowed only for
  – Death, permanent and total disability, divorce or separation

• Proration will be on the 2015 tax information
  – For adjustments, reported date for any reason mentioned above must have occurred between January 1, 2017 – June 30, 2018
  – Statute prohibits adjustments to aid year 2017-18 for events that occur in 2016
Other 2017-18 TAP Application Changes

• The order of questions for TAP will change slightly.
• The marital status and date will be moved to the income section.
Reminder: Parent Information Section

• Parent names, Social Security Numbers will no longer be transferred from FAFSA for data security reasons

• Parents can provide their Tax Filing ID Number (TIN) if they do not have a Social Security Number

• Parents without a SSN or TIN can leave the answer blank and check the appropriate box
  – Student will need to download and have parents complete a “signature page” from their TAP account
TAP: Reporting Parent Information

Parent's Marital Status
Please update your parent's information as needed. If you are dependent on your parents, we will use your parent's income to determine your financial aid award eligibility.

Parent 1's Social Security Number / Tax ID number:
If Parent 1 does not have a social security number, check this box:
Parent 1's Last name:

Parent 2's Social Security Number / Tax ID number:
If Parent 2 does not have a social security number, check this box:
Parent 2's Last name:

Do your parents live in New York State?

Previous Next
Reminder: Other NYS Programs

Students can apply for other New York State student aid programs online at HESC.ny.gov
- STEM Incentive
- Achievement & Investment in Merit Scholarship (AIMS)
Reminder: FAFSA Completion Initiative

• Allows schools direct access to FAFSA and TAP filing status reports
  – Your school and/or school district can easily identify students that may need assistance in completing the FAFSA, TAP application
• NYC DOE schools must contact the Office of Post Secondary Readiness to request access.
• All other schools and districts can register directly with HESC at any time to participate
More Info: hesc.ny.gov/FAFSA-Initiative

The Higher Education Services Corporation (HESC) encourages all school districts and high schools to participate in the national FAFSA Completion Initiative in order to receive important Free Application for Federal Student Aid (FAFSA) and New York State Tuition Assistance Program (TAP) filing status information about your college-bound students.

Obtaining this information will allow your school and/or school district to identify and assist students and families in completing a FAFSA, thereby maximizing their access to free and low-cost financial aid to support their college costs.

There is no registration deadline! You can register for the FAFSA Completion Initiative any time. We encourage you to register now so you can access information beginning in January for your students entering college in fall 2015.

How to Join

1. Complete, sign and submit a Data Access Security Agreement. A draft copy, as well the attachments Exhibit A and Appendix A, are available in the Related Resources column for your
Questions?
Thank You!

NYS Higher Education Services Corporation
99 Washington Avenue
Albany, NY 12255
www.hesc.ny.gov

1-888-NYSHESEC (1-888-697-4372)