

# NASFAA's "Off the Cuff" Podcast – Episode 281 Transcript

## OTC Inside the Beltway: Recapping Those Warm and Fuzzy Feelings from the FSA Training Conference

Speaker:

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Justin Draeger:

Hey, everybody. Welcome to another edition of "Off the Cuff." I'm Justin Draeger.

Karen McCarthy:

I'm Karen McCarthy from NASFAA's policy team.

Sarah Austin:

And I'm Sarah Austi from NASFAA's training and regulatory assistance team.

Justin Draeger:

Welcome to the podcast, everybody. Karen, good to see you, and Sarah, welcome to the podcast. We are doing an FSA Virtual Conference debrief. As I recall the numbers, I can't remember who said this, I think it was Rich Cordray at the opening session speech. He said that there were 17,000 plus people that were registered. I don't know how many people showed up at peak. But 17,000, which is more than ever showed up for an in-person. Those are great numbers. Registered, again. And I think it showed, at least on day one, because we had a number of issues logging on. Karen, I think you were actually at a FSA meeting at the time. You might have missed some of the technological snafus.

Karen McCarthy:

Yes. I came in late.

Justin Draeger:

That we were all trying to, yeah. Yeah. Because I think that we were all trying to, I think the advice we were getting from FSA was, "Everybody hit refresh." So, I don't know if, listen. I'm not an IT guy, but I don't know if 17,000 people hitting refresh at the same time helps or hurts the situation. But eventually, we all got in. And, yeah.

Kicking right off the bat, I did say, I will say, in every general session where you had the COO Rich Cordray talking, or you had James Kvaal, who's the undersecretary, or Secretary Cardona, lots of kudos given to the financial aid community. Lots of praise of shown for what financial aid administrators are showing up and doing, and all they're dealing with. Obviously, lots of touting the new FAFSA and the

promise that it will be easier for students and families, and a lot of kudos and thanks shown to the aid community for their patience as we're working through a lot of the, shall we say, on our end, kinks in getting this FAFSA rolled out.

Karen McCarthy:

Hey, Justin. I was thinking about the whole praise thing.

Justin Draeger:

Yeah.

Karen McCarthy:

Which I thought was nice. I was thinking of the love languages.

Justin Draeger:

Oh, okay.

Karen McCarthy:

Yeah, like the warm and fuzzy feelings.

Justin Draeger:

Yeah.

Karen McCarthy:

The words of appreciation and the praise.

Justin Draeger:

Yeah.

Karen McCarthy:

Because in my head, the words of affirmation is not my love language. Acts of service is.

Justin Draeger:

So, you're like, put up or shut up? Or what?

Karen McCarthy:

Well, for me. I was like, this is really nice.

Justin Draeger:

Yeah.

Karen McCarthy:

But what are you going to do? But for other people, the words of affirmation is their love language, so I don't know. But I was thinking about that, because I thought they did do a really good job. There was lots of, "Thank you so much, we know this is a challenge for you."

Justin Draeger:

Yeah.

Karen McCarthy:

All the hard work that you do, and people need those warm, fuzzy feelings.

Justin Draeger:

Not you. But other people.

Karen McCarthy:

Right. Right, right.

Justin Draeger:

Yeah.

Karen McCarthy:

Yeah. I didn't know if you want-

Justin Draeger:

Well, yeah. I think that's, listen. I'll take it. All right? I'll take it. I think it's better than showing up and saying, "Listen, you ingrates, we're doing the best we can." I mean.

Karen McCarthy:

Right, right.

Justin Draeger:

I think the words of appreciation are better than just-

Karen McCarthy:

Nothing.

Justin Draeger:

We're doing what we're doing, and deal with it. So, I feel like I appreciate it. And the times when FSA has checked in with us to say, "Anything we should mention in our remarks?" Our advice is always, I think it goes a long way to show empathy towards this community.

Karen McCarthy:

Yes.

Justin Draeger:

Who's on the receiving end of the policies and practices that you're putting into place, so. And mental note for myself, your appreciation language is not words of affirmation.

Karen McCarthy:

Correct. Yes.

Justin Draeger:

Okay, got it. So, there was a lot of that. But one other thing I'll just say about the general session remarks is that I did appreciate that the undersecretary had a lot of analogies. James Kvall had the IKEA furniture.

Karen McCarthy:

Yes.

Justin Draeger:

That you just want to smash with a hammer.

Karen McCarthy:

Yes, that was good.

Justin Draeger:

So I did appreciate that. The secretary's remarks I thought were very personable. Like, look.

Karen McCarthy:

Yes.

Justin Draeger:

These folks' remarks, when they're in person, I'll just note, when they're in person, and the thing you don't get virtually, but when they're in person, whether it's at NASFAA or whether, back when we used to have in-person FSA conferences, is they can sort of be off script a little bit. Because what we don't realize is these sorts of speeches, particularly by the higher-ups, are very reviewed. They're written, they're reviewed, they're reviewed again.

Karen McCarthy:

Very closely vetted.

Justin Draeger:

Right.

Karen McCarthy:

Multiple people, yeah.

Justin Draeger:

Right. And so, they can go off script a little bit when they're in person. And when you're doing these virtual sessions, there is no room for that sort of error. The one exception I might make to that is that the secretary, because that's a cabinet-level position, who is going to tell the secretary, any secretary, what they can and cannot say? I mean, nobody really. I mean, the secretary, the buck stops with the secretary. It's a cabinet-level position. We're talking succession. Line of succession to the presidency here. So, the secretary can be a little bit unscripted, and I sort of felt that from the secretary. Clearly had remarks, but he was also speaking. He was just talking. That sort of came through. He was telling stories. And so, I'm sure he had a speech, but he could be a little bit more unscripted in some of his remarks. So, anyway. Those were all fine.

Let's get to some of the breakout sessions. So, I did want to point out. I was following some, not very closely, but some of the remarks about the, I did appreciate some people, even on staff, pointed out that the technical issues, when it comes to administrative burden, Jill on our staff pointed out that we can officially add the FSA conference to our list of unnecessary burden on financial aid administrators, because if we can't log in and we're hitting refresh all morning, it's just more burden. So, I appreciated that observation. Kudos to Jill.

She actually did the calculation. If there are 17,000 registrants, times one hour, and the average wage is \$48, which is the median hourly wage, everybody trying to get in at once cost roughly \$900,000. And it would be \$20 million if everyone just kept refreshing their browsers for three days of the conference, which we didn't, thankfully. But, I do appreciate that Jill did that calculation for us. So thank you, Jill, on the admin burden cost estimate for that.

All right. Let's go into our session recaps. There was obviously a lot of session focus on the FAFSA. Karen, let me turn to you first. Anything new that stood out to you on the FAFSA sessions? You're obviously very enmeshed in this, attending biweekly meetings with FSA on all of this. Anything new that stood out to you?

Karen McCarthy:

Yeah. I might not be the best person to answer this question because, as you said, we've been focused on the FAFSA for a really long time, and I feel like these were great sessions, and my interesting observation about the FAFSA session is I would see some chatter over in our Slack communities. Like, "Oh, is this a new thing?" And it wasn't a new thing, but it was new to that person. So, people are just in different places with getting up to speed with the new FAFSA. And so, some things that we've been communicating out have appeared in Today's News articles in the past, or we've been presenting on them, but people were focused on other things so missed them back then. So, I feel like the sessions were super helpful in that people are slowly grasping onto things and kind of putting all the pieces together. So, helpful in that way.

I didn't hear a whole lot of new information with regards to the FAFSA. I know there were some people who were hopeful that we would hear an exact release day later in December. I don't think that we on staff necessarily had that expectation that we were going to get that. But there were, I did see some chatter that people were hoping they were going to get that and were a little bit disappointed not to get that announcement. But maybe Sarah can chime in on some of the tidbits that might have been new to you from the FAFSA sessions.

Justin Draeger:

All right, Sarah. What do you got?

Sarah Austin:

Yeah. I agree. I don't think there was a lot of new information, but I do think the FAFSA Partner Portal we hadn't seen a lot of, and everyone was hoping to see that, and we did get some glimpse of the financial aid administrator's side, what will they actually see. So that was nice. That was kind of one of the things I was hoping to get, and we did. Other than that, I really don't think, I agree with Karen. I don't think there was a lot of new information, but maybe things that people just hadn't noticed yet, or some clarification.

Justin Draeger:

I like the fact that they sort of went A to Z. When you add up all the different FAFSA sessions, it did go A to Z, and in some instances, it was sort of like they were taking separate pieces of cloth and sewing them together. So, the end, like the last 10 minutes of one FAFSA session overlapped with the first 10 minutes of another FAFSA session, and in that way, it was a bit of some redundancy built in, but they also overlapped in a way that allowed them to weave them together.

Karen McCarthy:

Mm-hmm.

Justin Draeger:

So I think it was, I can't remember the exact sessions, but it was like there was this FAFSA session, and then it was methodology. And then they sort of overlapped a little bit. But also then, a little, if I'm thinking back to the art of explanation, it's okay to go backwards just a little bit to catch everybody up to speed. So that's okay.

Karen McCarthy:

Yeah. I feel like this whole new FAFSA is like this really big experiment on how people learn, and how people understand and take information in. Because it's so different, obviously, and things have changed, and what do people find helpful and what do they not find helpful, when and where and how, and yeah. It's super interesting to me. Even over in our Slack communities, the things that people, the topics that people latched onto, and how they want to talk about it, and how it relates to the bigger picture. It's really interesting. I don't know. Complete sidebar there.

Justin Draeger:

When we went through all these FAFSA sessions, people are all aware now that we'll have new acronyms, I assume. So we know we'll now have the FAFSA Submission Summary, no longer the SAR. We are aware that now we will have the FAFSA Processing System, not the CPS. The FAFSA Partner Portal. I don't know how long. I don't think my brain can re-. I don't think. These things are too ingrained, so I don't know how long. It'll probably take years for me to get these new acronyms down. Were there any other new acronyms that we had to learn from this new conference? Any other new ones?

Sarah Austin:

We heard, in the Pell session, we heard CSA, which is Calculated Scheduled Award, and at least as far as I'm aware, we had never heard that acronym before.

Justin Draeger:

Okay.

Sarah Austin:

And we're not, I don't think we're quite sure if it's an official acronym or just in the presentation, but that was a new one for me.

Justin Draeger:

Okay.

Karen McCarthy:

Yeah, I think that FSA has released that FAFSA glossary document, but the CSA term is specific to Pell, so I wouldn't necessarily have expected that to be in a FAFSA glossary. So maybe it's just a new term outside of that space.

Justin Draeger:

And they did talk a lot about the new Parent Wizard, which, that is available on the, what the Parent Wizard will be is available on the FSA website, right, Karen?

Karen McCarthy:

There's kind of a PDF document that is available.

Justin Draeger:

It's like a spec.

Karen McCarthy:

Yeah.

Justin Draeger:

I mean, the Parent Wizard itself will be available in the FAFSA when it comes out.

Karen McCarthy:

Yeah, that will be a live kind of tool once you're in the FAFSA. But for people who are counseling families, there's a PDF document that kind of walks you through it.

Justin Draeger:

I was also surprised, just as an aside, the number of federal folks that gave their personal email addresses out.

Karen McCarthy:

Yeah, I was also surprised at that.

Sarah Austin:

I was surprised, too.

Karen McCarthy:

And they actually invited questions.

Justin Draeger:

Yeah. Good on them.

Karen McCarthy:

Yeah.

Justin Draeger:

I don't know. I wouldn't want to be fielding their inboxes right now, but if I have a webinar with 17,000 people on it, hey. I don't know if I'd give my personal email address out, but I appreciate the sentiment.

Karen McCarthy:

Yeah.

Justin Draeger:

Okay. Other sessions. Did either of you attend the session on enforcement? I think it was something like, "Why is FSA Enforcement Contacting You?" Or something like that.

Sarah Austin:

Yes. I did.

Justin Draeger:

Sarah, you attended that one.

Sarah Austin:

Mm-hmm.

Justin Draeger:

Here's what, first of all. A big, I think, appreciation and kudos to the Department of Education, because I think this is the first time that the enforcement office has presented at an FSA conference. This is the sort of transparency that we've been asking and calling for, for a while. We've met with the, at least the borrower defense team, in the past, on the NASFAA side, and it's been helpful to have some clarity and transparency into some of their processing. So, I was able to attend one of those enforcement sessions, and Sarah, I don't know. Did you attend both? They had two.

Sarah Austin:

Yes, I did.

Justin Draeger:

Okay. And so, I thought this was really helpful. So they kind of walked through their different offices, how those offices interact with other FSA offices. They talked about their specific roles. They talked about how complaints come in from tips, from students' complaints to anonymous tips, how those are handled. They talked about they follow evidence. They talked about communications, and how those

communications go back and forth between schools. They talked about how they open investigations. And one of the things they talked about is they kind of go where the evidence leads them, and no action, for example, with their investigations group, no action is a fine outcome, as well as referrals to another agency or to an accreditor, or referral to another group within FSA. They don't have a pre-determined outcome on the investigations side. No action can be a fine outcome. They are really only trying to go where the evidence leads them.

On the borrower defense side, they again reiterated that right now they're operating on the, borrower defense claims that schools are getting, they're operating under the 2016 guidance, that notification and adjudication are separate processes, and right now, we are in the notification stage, so schools are getting notified about their borrower defense claims. And I sort of wish if schools, this is a conference where I think a lot of financial aid administrators are listening, I sort of wish if schools didn't have their general counsels listening to these sessions in particular, maybe this is one they'd want to send their general counsels sort of the recorded version of. Because the borrower defense team, or a representative from that team, did show up and actually walk through the borrower defense claim process. I think it was the last 15 minutes of that session. And I don't remember exactly what it. I think it was like, "Why is FSA Enforcement Contacting Me?"

Sarah Austin:

Yeah.

Justin Draeger:

And what's expected of me. But it kind of walked through the borrower defense process. So if schools are operating, for example, under the assumption they must respond to every claim, or your general counsel is, I think it's helpful to listen to that session. So, Sarah, any other observations from those sessions?

Sarah Austin:

Yeah. I agree with you. I think that was the first time for me that I saw someone kind of walk through the actual borrower defense process, and I know from fielding questions from members that that was apparently very helpful because our members have been asking those questions. I also think for me personally, I did learn a lot in that session of just the different offices. I don't know that that was always clear to me, how they all did interact, so I appreciated that. I do think that kind of the follow-up session, the other enforcement session, was more about the fines, the possible kind of outcomes of anything that they did have issues with. So, the two of them together made sense, but I think the second one was a little bit more scary for financial aid administrators, and I did see some chatter over on Slack about, "I'm going to send this to my general counsel, I'm sending this to my higher-ups, they need to see this, this is the actual possible outcome if we do have these issues." So, that was interesting.

Justin Draeger:

Yeah. On the one where they talked about the fines, they said that fines are meant as a deterrent, and there are regulatory maximums on fines. That maximum is \$67,544 per violation. So, if you're trying to calculate for your institution what a violation could be, like under-investing in your financial aid office, what the ramifications are, well, regulatorily, it's \$67,544 dollars per violation. Now, the FSA's Office of Enforcement or AAASG, as the office acronym is that oversees all of this, they have discretion in there. So, based on how egregious the fine is, how widespread it is, how many, its impact on students, et cetera. They could lessen that. But the maximum is that, and it's per violation. So that can get-

Karen McCarthy:

Yeah. So how do they count violations? I would be interested to see that.

Justin Draeger:

Well.

Karen McCarthy:

Is it per type of violation? Or per numbers of that type of violation?

Justin Draeger:

I think it's both.

Karen McCarthy:

Yeah.

Justin Draeger:

I think it could be both.

Karen McCarthy:

Yeah.

Justin Draeger:

So when you see violations that are assessed that go into the millions, I mean, it can be every instance of that same violation.

Karen McCarthy:

Yeah, yeah.

Justin Draeger:

Yeah. And then there's an inflationary adjustment each year. So that's not a static number. That goes up every year as inflation does.

Karen McCarthy:

So that's why it's such a random number then, too.

Justin Draeger:

Yeah. There are also deadlines attached to that. So, for example, a limitation action seeks to limit, so if they are trying to seek a school's, limit their ability to participate in Title IV, there's a limitation notice and then an effective date. So a school receives a notice and then there's like 20 days that are given before that takes effect. And within that 20 days, the school can request some sort of hearing to adjudicate that. If there's a loss of eligibility action taken against the school, the same thing. There's a notice given that it will take effect on this date, and the school can try to have some adjudication that happens. So, again, I just sort of felt like that sort of transparency, it might exist if you dig into the

regulations or sub-regulatory guidance, but to have them come and present I think is really, I don't know. I think it's really helpful.

So, other sessions. One I wanted to dig into a little bit was the FTI sharing session, and Karen, I want to start with you here because I think in some ways, this is really new. Because as I understand it, when we talk about federal taxpayer information, this is governed by, this is not FERPA. This is governed by an entirely different law, right?

Karen McCarthy:

Right. Yeah. I have a lot to say on this one.

Justin Draeger:

Okay, good.

Karen McCarthy:

I think this was a great session, and I saw that many people thought it was a great session. There was lots of chatter on this over in our Slack communities. We've been saying, and I feel like again, talking about the order in which people are absorbing information and really understanding what all the implications are, everybody knew, our community knew about this direct data-sharing, that the info was coming from the IRS and directly over to Ed, and they understood that that was not passing through the student the way that it has through the data retrieval tool that we have had in the past. But the fact that that information is coming straight from the IRS has huge ramifications in terms of security and all of that, because now it is technically considered FTI, federal taxpayer information, from the Internal Revenue Service, which means that now we have triggered all kinds of requirements that are in the Internal Revenue Code.

So, completely outside of the Higher Education Act, outside of FERPA and the HEA. We now have all these extra requirements that apply to all tax information that the IRS holds. And that a lot of ramifications in terms of security and data-sharing uses and all of that. And so, that's what this session was really diving into. We have been asking Ed for updated data-sharing guidance for quite some time, since earlier this year. They released kind of an introduction to FTI in the spring, but didn't go into a lot of detail. Our understanding is that they were kind of working through all of the legal issues. You can imagine what the legal issues are. Now we're dealing with the Internal Revenue Service and their lawyers and all with the IRC, so it has taken them some time to kind of sort through what all of those ramifications are. And so, this is really the first kind of deep-dive that we've had into some of the data-sharing implications of using this FTI.

Justin Draeger:

Sarah, any implications or observations from your side or the TRA AskRegs side?

Sarah Austin:

Yeah. We have been getting many questions on this from our members, so I think it was a welcomed session. Even when we just saw it in the agenda, we were so thankful because we've had so many questions. But what I think happened is, from what I've kind of seen in the chatter of Slack, is it answered a lot of questions, it provided a lot of information that we did not know, but it also generated about 10,000 more follow-up questions. So, I'm exaggerating there. We didn't get 10,000 questions on this.

Karen McCarthy:

Yeah.

Sarah Austin:

But I think we definitely still are looking forward to getting the actual guidance from Ed because we feel like it kind of spurred a whole other set of questions that we now have.

Justin Draeger:

Just to be, two things I want to follow up on. So, for our members who don't know, when we mention Slack, Slack is where we have our NASFAA communities. So, we have breakouts for communities on all sorts of things, but one of the communities, well several of the communities, were talking about the FSA conference while it was going on. So, we have several of our staff that are in and out of those communities watching what members are talking about, and then we also have internal Slack communities at NASFAA that staff are monitoring.

And then the second thing is Sarah, I don't know that we mentioned this at the top of the podcast. Sarah is one of the team members at NASFAA that's doing AskRegs. So, you might have not gotten 10,000 more questions. Maybe only 1,000. Something easy like that, Sarah. But she does bring up a good point, and you mentioned this, too, Karen. I thought we were supposed to get that FTI guidance document in November. So, that was yesterday. It's December. We're taping this in December. Do we have an update of when we're getting this FTI guidance document? I mean, the session's out. That's legit. That's on the record.

Karen McCarthy:

Right.

Justin Draeger:

So, what? We must have it pretty close.

Karen McCarthy:

Yeah. My understanding is that the guidance is currently in their internal approval process within the Department of Ed, so hopefully soon. They know everybody is anxious to receive it. Like you said though, we were talking about this internally yesterday. What can we do with the information from the presentation while we're waiting on the guidance? And I want to talk about the decision tree next. But as you said, they presented this. Any question that anybody that is answered on a slide I feel like is reliable information. Their slides for the FSA conference go through their approval process within the Department of Ed, so I feel like that, a slideshow from the FSA conference, can be relied upon as Ed guidance.

Obviously, as Sarah mentioned, there were lots of new questions that were raised. One of the big ones for me is that there was a lot of information presented about the applicant's FTI, but there was no distinction when we're talking about the applicant versus other contributors, specifically parents, which as we know, aid offices are very involved in speaking with parents about their dependent student's FAFSA, and if there are changes there and how that will have to go. So hopefully, that will be addressed in the guidance. But I feel like anything that is tackled in the slideshow, schools can move forward on that.

Justin Draeger:

That is basically Department of Ed guidance.

Karen McCarthy:

Yeah, yeah.

Justin Draeger:

It's published, it's out.

Karen McCarthy:

Yup.

Justin Draeger:

Okay. All right. And the decision tree. So, NASFAA has a decision tree about what is shareable and what is not, and we do plan on updating that, although we've been holding off waiting for this now long talked about guidance document from the department. So when are we going to update this decision tree? Can we update it with this session?

Karen McCarthy:

Yeah. We were. The session was just, was it yesterday?

Justin Draeger:

I don't know.

Karen McCarthy:

I feel like I've lost track of time.

Justin Draeger:

It's a blur.

Sarah Austin:

No sense of time.

Karen McCarthy:

But yes, yes. Yeah. We have already talked about it internally. What can we do? How much work will it be? How long is it going to take? How quickly can we get this up? Because we have been telling members for months that we can't update the decision tree until we see this guidance from the department. So, we are taking a look at it right now. The decision tree is a tool. There's not a lot of super detailed guidance there, so perhaps that can be a tool and then we can follow up with more detailed, like an FAQ document or something like that, that goes into some of the more detailed scenarios that people are asking later. So we're talking about that right now. But just, we were talking about how, if anybody has used the decision tree, it barely fits on one page right now. So, how?

And really this whole topic of FTI is a whole new branch that needs to be incorporated into the decision tree. So we were kind of talking like, what will this thing look like? So that's where the conversations are

right now. But the FTI and the treatment of it in the decision tree is a whole add-on to the decision tree, and we're kind of working through that right now. What can we do, and how fast can we do it? What do we need to wait on from the department?

Justin Draeger:

Well, because it's almost two separate pathways, right? Because FTI is treated differently than all the other financial aid data that's produced from the FTI. Isn't that the case?

Karen McCarthy:

Yeah. I mean, that's kind of how. I was thinking this morning, after watching the session and looking at the slides a bunch of times, how can I talk about what we learned in the session for purposes of the podcast, in little tidbits? And that's kind of how I have been thinking about it. The way the decision tree is set up right now, and kind of how things worked before we had FTI, is we have FERPA, and FERPA applies to all educational records. And then we have FAFSA data, and FAFSA data is a type of an educational record, but then there are extra rules that apply to FAFSA data. So there's kind of that kind of a hierarchy. And now, with the FTI, the FTI is a whole other thing, because now we have special rules that apply to FTI. Some of the FERPA rules are not applicable. It's not considered FAFSA data, which he stressed several times in the presentation yesterday. And now, we have all new Internal Revenue Code rules that apply to the FTI. So it is a whole new path of the decision tree.

Justin Draeger:

Can I ask one other question? I know we're coming to the top of the hour, but I want to circle back to something that was said multiple times in the FAFSA session. When they talked about the contributor, all right? The parent contributor. Why do you think they kept emphasizing over and over and over again that the contributor is not necessarily the one who has to pay for college? Did you notice they kept saying that over and over again? Why do they keep saying that?

Sarah Austin:

I think it's because of the word contributor.

Justin Draeger:

Because they chose the word contributor?

Karen McCarthy:

Yes.

Sarah Austin:

That's the sense I got.

Karen McCarthy:

Me, too.

Sarah Austin:

They're not actually contributing money.

Justin Draeger:

So, it's because of the confusion. Okay. But this is not a new concept, right? It's sort of like when we had the last 20 years of the FAFSA, the parent that was filling out the FAFSA also didn't have to be the one paying for college. So, you think it's because they now are using the word contributor?

Karen McCarthy:

Yes.

Justin Draeger:

They have to emphasize 20 million times that they don't have to be the one paying for college? But meanwhile, the whole idea of federal methodology is you are using the parent to derive a number about whether they can afford to pay for college. I just feel like it's very muddy. Don't you think that's muddy? We are using that parent because we are measuring their ability to pay for college with that parent.

Sarah Austin:

Right.

Justin Draeger:

Don't you think that's kind of messed? Kind of weird?

Karen McCarthy:

Yes. I think that they've got-

Justin Draeger:

Why do they keep using it? They shouldn't even mention it. I feel like, stop mentioning it. Because that's what federal methodology is built on, that parent's ability to pay for college. But they don't have to pay. I mean, why even get into it? It's federal methodology. Federal methodology is built on that parent's ability to pay for college.

Karen McCarthy:

Yeah, it is. I think that they've gotten a lot of feedback about the word contributor over time.

Justin Draeger:

How disjointed can we make federal methodology at this point?

Karen McCarthy:

Yeah. But I think they've also had, there's been a lot of concern about what if the contributor won't do something? What if somebody doesn't want, just in general, what if they don't want to get an FSA ID? What if they don't want to provide their consent? So I think there's lots of conversation about what if they don't that they're trying to address.

Justin Draeger:

That problem has always existed. How is this any different from the problem that's always existed? You've always had parents that don't want to do it. How is this any different? What's changed?

Sarah Austin:

I think it's just the word. I think it's the word. I think they're anticipating the contributors coming back and questioning the word. That's my only guess.

Justin Draeger:

I mean, I can't. I mean, the first time they said it, I was like, "That's weird." And then the 50th time they said, I'm like, "Why do you keep saying this?" We still have federal methodology that's built on the idea that somebody should be paying for college here, right?

Karen McCarthy:

Yes.

Justin Draeger:

It's not like we threw federal methodology out the window.

Karen McCarthy:

Yes. There's also, I mean, that whole-

Justin Draeger:

I just don't get it.

Karen McCarthy:

The required consent with the IRS. If you don't consent, then the applicant won't receive any Title IV aid. There's all of those.

Justin Draeger:

I just feel like the FAFSA has become so disjointed from the formula at this point. I just hope we have people that understand that there is a formula that's built on some logic, and the logic is that families are supposed to, if you can afford to pay for college, you're supposed to.

Karen McCarthy:

Right, right.

Justin Draeger:

Okay. Okay, well. I just, by the time they said it 20 million times, like, "But they don't have to pay for college." I was like, okay. Somebody's supposed to.

Sarah Austin:

But someone does.

Justin Draeger:

Yeah, right? I just was like, "I don't know why they keep saying this."

Karen McCarthy:

I think they're just beat up by all the questions.

Justin Draeger:

Okay.

Karen McCarthy:

And they're just, yeah. Yeah.

Justin Draeger:

So it was anticipatory.

Karen McCarthy:

Yes.

Justin Draeger:

Okay, well that's a great observation. Thanks for pointing that out to me, because I just couldn't. The first time I shook it off, and then the ninth time, I was like, "Why do they keep saying this?" All right. So now, we want to move to what was missing from the conference? Anything that you expected that didn't show up? I've got, yeah. Go. What do you got?

Karen McCarthy:

Well, I think. Oh, yeah. I know that Sarah's team has been talking about, I didn't really expect because obviously they posted the agenda, but their disappointment that there wasn't a verifications related session.

Sarah Austin:

Yeah.

Justin Draeger:

I also was expecting to hear more about maybe their upcoming negotiated rulemaking. That was cursory. And they did touch on the rules that'll be implemented by this next July, but I think a lot of schools are hoping for more on how they can prepare for gainful employment, and this new financial value transparency data collection that is going to be huge, but right now, kind of maybe a little scant on the exact details that they need to start collecting. Anything else?

Sarah Austin:

I think, it goes along with verification, but I think when we saw there was no session, a lot of members were hoping that meant there would be an announcement that verification was waived and that's why there was no session. So when that announcement did not come, but there also wasn't a session on verification, there was some disappointment there. I also think just generally, that part of the process, once you get through actually filing the FAFSA and getting your FAFSA submission summary, it's the after that all the financial aid administrators are wanting. The correction process.

Karen McCarthy:

All the corrections, yeah.

Justin Draeger:

Well.

Sarah Austin:

The actual processing of subsequent years, all of that. And we didn't get that far in these sessions.

Justin Draeger:

Right. Well, that's not coming until February.

Sarah Austin:

Right.

Justin Draeger:

Right?

Sarah Austin:

Yes.

Justin Draeger:

Corrections, and schools won't be able to make corrections until February.

Karen McCarthy:

Well, the ability isn't coming until February, but we haven't gotten any information even about how it will work.

Justin Draeger:

Right.

Sarah Austin:

Yeah. That's the piece I think our members are wanting.

Justin Draeger:

Well, we know that.

Karen McCarthy:

Right.

Justin Draeger:

Okay. A lot of good information at the FSA conference. Still a lot of information that our members are hoping, particularly on the after the student files the FAFSA and what schools will need to be doing to complete the process, file corrections, and verify students. Obviously, Department of Education will

continue to work with us as we move through this processing period. There's always the outstanding question of whether FSA will go back to an in-person conference, and part of that is also budgetary. Let's set that aside for just a second.

I am sort of curious. Sarah and Karen, you've both been to in-person FSA conferences. You've now both attended virtual conferences. Given the preference, when you weigh just how many people can attend a virtual conference and the fact that you don't have to fight to get into an in-person. Imagine trying to fight to get into some of these sessions that were provided this last week. You could show up once, and assuming the technology worked, which it really only failed on day one for the general session, which is sort of like, okay. You showed up once, you were there. But there was no live Q&A. You couldn't really interact. Karen, I did send you a virtual message through the FSA platform. I don't know if you received it because you didn't respond.

Karen McCarthy:

I thought it was spam.

Justin Draeger:

You thought you were receiving spam through the Federal Student Aid software? Okay.

Karen McCarthy:

It was so not really like you. I was like, "Is that really Justin?" Yeah.

Justin Draeger:

Because it was so friendly? Is that why you thought it was unlike me?

Karen McCarthy:

Well, yeah. I mean, it was like, you said, "Hello." I was like, "You never say."

Justin Draeger:

Justin never says hello. It's usually just barking commands. Okay. So, anyway. So, I'm just curious. In-person or virtual? What's your preference? Karen?

Karen McCarthy:

For me personally?

Justin Draeger:

Yeah. You personally.

Karen McCarthy:

Me personally, I prefer I think virtual.

Justin Draeger:

Ooh, controversial.

Karen McCarthy:

But I think for the community overall, and the members that we serve, in person.

Justin Draeger:

Yeah. Okay. Sarah?

Sarah Austin:

Okay. My vote is in-person, and I really have kind of gone back and forth on this. But I think for the live Q&A and the ability to immediately follow up on things. That's kind of one piece. And the other piece is, I don't know about everyone else and how it works in all the offices, but yes, not everyone got to go to the in-person, but also, by having everyone try to attend the virtual, they still have to keep the office running. They still have to keep doing their regular day jobs, so trying to do that at the same time as watching all these sessions seems like it's almost impossible to focus fully on one or the other. Where an in-person conference, sure, you may check your email or something in between sessions, but you're fully present and able to focus.

Justin Draeger:

Right.

Sarah Austin:

So, that's kind of what I've heard from other members, that they do want that back.

Justin Draeger:

Yeah, that's fair.

Karen McCarthy:

What do you think, Justin? For you personally. Because you never went to the in-person, did you? I mean, in recent years, you didn't.

Justin Draeger:

You know what? I would usually let most of the NASFAA, all the rest of the NASFAA staff, go, and I would go for ceremonial stuff. So, I did meet the secretaries when they would say, "Okay, bring in NASFAA leadership." And we met some of the secretaries and undersecretaries at various FSA conferences when they wanted to meet. So, I would come in for those meetings, but right. We made most of our budget available for all the rest of the NASFAA staff who needed to attend. I'm not just trying to do a politically savvy answer here. I think a mix is good. So, sort of like one year in person, the next year virtual, I think is a good mix, for the reasons you both just said. I don't know that it has to be in-person every year.

Sarah Austin:

Yeah.

Justin Draeger:

And I remember the years where people would get shut out, and it's kind of a mess. And I do remember. I just remember it not always being fantastic. But I do think that there are some upsides to it. It's hard to argue with the fact, though, when you've got 17,000 people. It's hard to argue with. And having them all show up and be able to get into one session is hard to argue with.

Karen McCarthy:

Yeah.

Justin Draeger:

So, I do. That's why I sort of feel like you can go back and forth. It doesn't always have to be in person. I think that's hard to argue with, budgetarily and access-wise for schools that can't afford to do it.

Karen McCarthy:

Yeah. One thing that I do not like and would not be in favor of, that I have seen some people float, is why can't it be a hybrid?

Justin Draeger:

No, no.

Karen McCarthy:

Where it's in person and then they record sessions. There are always issues with that. Yeah.

Justin Draeger:

That's a whole other, you can attend my TED Talk on why hybrid conferences suck.

Karen McCarthy:

Yeah.

Justin Draeger:

But I also like virtual so I can spam Karen. So, that's my other reason.

Karen McCarthy:

Raise my blood pressure. Oh my god. There's somebody trying to scam me.

Justin Draeger:

Yeah.

Karen McCarthy:

In my computer.

Justin Draeger:

I was spamming, "Hello, Karen." I'm selling dietary supplements. Click the link.

Karen McCarthy:

Yeah.

Justin Draeger:

Okay, thanks everybody.

Sarah Austin:

I mean, the scammers always do pick Justin. They always try to come from Justin's name so that we'll actually fall for it.

Karen McCarthy:

Yeah, what do they call that, when people impersonate your boss?

Justin Draeger:

Spoof?

Karen McCarthy:

Yeah, and they're like, "Hi, this is Justin. I need your credit card account number immediately."

Justin Draeger:

I didn't know this was happening.

Karen McCarthy:

Yeah, that's one of the cybersecurity routes.

Justin Draeger:

I do get staff that are constantly reaching out to me like, "Did you text me last night from this number?"

Karen McCarthy:

See, yeah. That's what it is. Yes.

Justin Draeger:

This is so funny.

Karen McCarthy:

Yes.

Justin Draeger:

It's kind of scary. Wow.

Karen McCarthy:

Yup.

Justin Draeger:

Well, nobody, well, anyway. Nobody's spamming me from other NASFAA staff accounts. I'm glad to hear that somebody's spoofing me all the time. All right. Well, send your thoughts about the FSA conference. We want to hear from all of you. Thanks everybody for tuning in. Send your comments about the FSA conference or anything else that's on your mind. Remember to subscribe. You can join our Slack community, our "Off the Cuff" Slack community, and chat with others who are listening to "Off the

Cuff." If you see us out at one of our conferences, say hello, and we'll be bringing out some "Off the Cuff" swag that you can get your hands on. And we will talk to you again very, very soon.

Speaker:

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