



February 24, 2016

Dear Campus Partner,

As many of you may know, the Free Application for Federal Student Aid, or FAFSA, is changing in two ways beginning with the 2017-18 award year:

- The FAFSA will be available three months earlier than previously; for the 2017-18 award year, that will be on October 1, 2016, rather than on January 1, 2017. The Department of Education has coined the term “Early FAFSA” for this change.
- The income used on the FAFSA will be from two years prior to the application year (referred to as “Prior-Prior Year),” rather than only one year prior to the application year as is currently the case; for the 2017-18 award year, that will be data from 2015.

Why are these changes important? The National Association of Student Financial Aid Administrators (NASFAA) was a key advocate for moving to prior-prior year, which had broad, bipartisan support. Prior-prior year, along with Early FAFSA, will have a positive, long-lasting impact on how students apply for federal aid and make postsecondary attendance decisions. The move to an earlier application date can help students in several ways:

- By having the FAFSA available earlier, students will be able to complete their federal aid applications in the same timeframe as their college admissions applications, streamlining the college application process. Students and their families will have more time to resolve any income verification requirements or supplemental requests from financial aid offices. In addition, learning about their federal aid eligibility earlier will allow students and families to understand better each institution’s cost information and make more informed decisions about which school is the right match for them.
- By using earlier income data, more families will have their completed tax information available by the time they are ready to apply for financial aid. This will make it easier to fill in application forms, and increase the likelihood that families will be able to import their income directly from the IRS using the online Data Retrieval Tool (DRT).

What impact will these changes have on the financial aid office? Allowing more applicants to import their tax data via the IRS DRT reduces documentation requirements and administrative burdens on the school and students. Where verification or other federal requirements would

still apply, schools and students will have a longer timeframe to complete them in advance of admissions dates. The financial aid office will have more time and resources to provide critical individual counseling and advice to prospective and continuing students. Schools may be able to provide financial aid award notifications to new students earlier, perhaps aligning with current scholarship notification dates or early action admissions.

Will these changes affect more than aid offices? Postsecondary institutions have some decisions to make beyond the financial aid office, particularly as a result of the Early FAFSA change. Some questions to consider may include:

- Do we want to make our award offers any earlier? Which date makes sense for our institution?
- Will this change any of our deadlines for priority scholarship or early action/decision admissions applications?
- Will this change our calendar or materials when reaching out to high schools or guidance counselors?
- Will we need to change the timing of setting our academic calendar, our tuition levels, discount rates and institutional aid budgets?
- How will this affect our state grants and state deadlines?
- Will we need to adjust our processing systems calendars to make student systems available earlier? How will this affect any other IT activities?

Who can help my school navigate these changes? NASFAA has convened a task force of practicing aid administrators to help support a smooth transition to the Early FAFSA and the use of Prior-Prior Year Income. In addition to working closely with the Department of Education and other higher education associations on the change, the task force and NASFAA will communicate regularly to your financial aid office with updates, tips, and resources. NASFAA has a dedicated resource page ([nasfaa.org/ppy\\_toolkit](http://nasfaa.org/ppy_toolkit)) which includes an Early FAFSA/Prior-Prior Year toolkit. We will be adding materials to the toolkit regularly to help you communicate with students and families about the change.

These changes will be a great help to families in planning for and applying to postsecondary institutions. We encourage you to work with your financial aid administrators, admissions officers, and other campus officials now so you can easily communicate how your school will

implement these changes to your campus community, high school guidance counselors, and current and prospective students and their families.

NASFAA is proud to support the financial aid administrators responsible for the implementation of the Early FAFSA and Prior-Prior Year!

Sincerely,

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