

NASFAA's "Off the Cuff" Podcast – Episode 246 Transcript

OTC From the Field: One Step Closer to the Metaverse? Let's Talk About the FSA Virtual Conference

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.

Jacquelyn Cottom:

I'm Jackie Cottom with NASFAA's Training and Regulatory Assistance team.

Tony Erwin:

I'm Tony Erwin from Blue Icon Advisors, NASFAA Consulting.

Justin Draeger:

Jackie and Tony, welcome to your inaugural episode of the podcast. This is obviously going to be a big tryout for you, so if you're not invited back, take the message. No, we're really glad to have you both here.

Tony Erwin:

Thank you.

Justin Draeger:

Yeah, we wanted you both here because we are all sort of on the staff tackling the FSA conference. You know, you all have been to an in-person FSA, yes? I know, Karen, you have. Tony, you must have gone.

Tony Erwin:

Sure have, yes.

Justin Draeger:

And Jackie, how about you?

Jacquelyn Cottom:

Yes, many, many years ago, but I have been there.

Justin Draeger:

Okay. And there's something nice about all of that energy. There's something nice about just being able to grab lunch at your local, now that it's virtual, just be able to grab lunch instead of waiting in long lines or tracking down food. But there is something kind of missing from the in-person event. Tony, what do you think, is your vote to keep it virtual or go back in-person?

Tony Erwin:

No, my vote's to go back in person. I think the collective, "What the heck did you just hear?" moment is better played out in-person than it is virtually.

Justin Draeger:

Right. So, you're looking for the audible gasps or moving around in people's seats, this visible, "I'm not the only one who just heard that."

Tony Erwin:

Yes. And sometimes that's because you think of the thing that you should have been doing forever that's changing. And sometimes you're reacting to the thing that you just heard is coming at you. But I'm missing that.

Justin Draeger:

Okay. Karen, how about you? Where's your vote?

Karen McCarthy:

Yeah, I also vote for in-person. I think that people really miss the open forums that they had at the in-person conferences. This year we set up, through our communities initiative, a conversation where people could chat via Slack about things that they were hearing. And I feel like that was a little bit of a step back towards allowing people to react in real time and converse with other people, but still not the same as the in person experience.

Justin Draeger:

And Jackie, you said it's been a while, but if you were casting a vote, and I'm assuming that the FSA budget folks are listening to this podcast today, where's your vote?

Jacquelyn Cottom:

I would definitely say in-person. One of the things that I remember about the in-person conferences was seeing the line of people not waiting to get into the session, but at the mic waiting to ask questions. And so, I always knew it would be a really good session if there was a line before the presentation started of folks just waiting to ask questions.

Justin Draeger:

Okay. So there you have it, back in-person, and people who are in the Off The Cuff community, they can cast their votes too. So, I'd like to hear from folks. We actually talk to FSA about this sort of thing every year, which is, "How do we support one another? What conferences will you be attending? What conferences will you be having?" So, I'm sort of interested in hearing... We've been out of... We've not done an in-person FSA, is this the third year or second year? I can't recall anymore.

Jacquelyn Cottom:

Third year.

Tony Erwin:

Third, this is the third.

Jacquelyn Cottom:

Third.

Justin Draeger:

This is the third year. Okay, so-

Karen McCarthy:

Yeah.

Justin Draeger:

... we will see what happens next year. All right, let's talk about overall themes. Before we jump into some of the sessions and topics and what we're hearing, things that stood out to you all, any themes emerge from this year's conference? Karen, how about you?

Karen McCarthy:

Oh, geez. I have listened mostly to the general sessions, and I would say, kind of, one of the themes that I've heard all of the presenters mention is accountability. Which I guess I would say, of course there are accountability needs out there, we're always willing to engage in a conversation about accountability, especially on the part of schools. I felt though that there wasn't enough of an emphasis on the partnership between FSA and institutions. This is still called an FSA Training Conference, and I felt like the general session speakers were focused more on the agenda of FSA. And some of it, I feel like with some of them touting their own accomplishments and there wasn't a lot of touting their accomplishments in terms of working with institutions. So I felt like I was, I was a little bit let down in that area.

One of the things that I've heard, was a mention of the NSLDS modernization as an instance of working with institutions. And I felt that was really interesting that they would use that as an example, because by all accounts, that implementation was not a hundred percent successful.

Justin Draeger:

Well, wait, wait, wait. They acknowledge it... Did they acknowledge bumpy patches? Wasn't that-

Karen McCarthy:

They did.

Tony Erwin:

Yes.

Karen McCarthy:

They did-

Justin Draeger:

But you're saying bumpy patches doesn't fully encapsulate how well or not well the NSLDS changeover was?

Karen McCarthy:

... Yeah. And for those of us who are Off The Cuff listeners who might not be directly impacted by the NSLDS enhancements that happened earlier this summer. The implementation, they've had 10 electronic announcements since then to explain things that they had to go back and fix. They have a running list of issues that schools have brought up that has 14 major items on it, some of which have been resolved. But these are all significant issues with the implementation that schools have brought to their attention. So I feel like the NSLDS example was not the best to use as an example of a good partnership in a way that FSA is serving institutions.

Justin Draeger:

Yeah. I really like, basically the algorithm you entered there, Karen. Which is, we can determine how big of a snafu something is. And I'm using that in the literal acronym sense. How big of a snafu something is based on the amount of guidance that comes out afterwards to clear it up or clean it up. So you said there have been 10 NSLDS posts since the conversion with bumpy patches. I'm thinking back to gainful employment round, version one back in 2013, '14, when there were like 110 gainful employment notices after it came out, which should give you a sense of how big the snafu was.

All right. So accountability, I hear that. And maybe too light on partnership. I did hear some nice things said by each of the generals, Rich Cordray, Secretary Cardona, James Kvaal. They all did say thank you to the aid administrators, so I don't want to overlook that. They talked about how much people did during the pandemic and after the pandemic and before the pandemic. But it was followed up with a healthy dose of accountability. Did anybody mention, I don't remember hearing this, but did anyone mention the FSA tip line that they announced a week or two ago? Remember where it's like-

Karen McCarthy:

Yes.

Justin Draeger:

... now you could... And the thing I remember about, 'cause I remember thinking about this like, "All right, what is the tip line? What kind of tips are they looking for?" But Cordray gave an example or two. Mr. Cordray said something along the lines of, the example he gave was really egregious, which was schools taking out loans on behalf of students when those students didn't take out loans, which is clearly fraud. So are those the types of tips you think they're looking for or any other insights they provided on that?

Karen McCarthy:

Oh, go ahead Jackie.

Justin Draeger:

Yeah, fire Jackie.

Jacquelyn Cottom:

No, I was saying, they said a lot about if you work with schools and institutions, and they didn't say whistle blowing was encouraged, but they mentioned that it is encouraged to report that information if you work with the schools. So I thought that was really interesting, because they said that in more than one of the sessions. That was in one of the general sessions and then in a breakout session they also

mentioned those third party contractors that work with schools that may know of something that's going on to report that.

Justin Draeger:

Okay. All right. Any other themes for you, Karen or Tony or Jackie? Any other themes that came up? Tony, what do you got?

Tony Erwin:

The theme of modernization for me was still present. And we've heard over the last couple of conferences efforts of modernization. And I think, somewhat collectively, the community was a bit skeptical about the ability for the department to realize those dreams. But there have been some successes, FSA partner connect. So, as I started to listen to sessions of further enhancements in modernization of studentaid.gov, I actually was less skeptical. And I was like, "All right, let's bring it on. You've done some things that have been successful." And that theme of modernization kind of jumped out at me as being more achievable than perhaps I heard it in previous conferences.

Justin Draeger:

Can you catch me up on some of the modernization? So, I know they're changing CPS to something else, right? That's being changed to-

Tony Erwin:

Yeah, FPS. We're going to have the Federal Processing System instead of the Central Processing System. I think that will be something that will not catch on for many, many, many of us.

Justin Draeger:

... So we have... But that's just a model change.

Tony Erwin:

Standard change.

Justin Draeger:

Any other theme stand out to either of you? Karen? Tony?

Tony Erwin:

I'm not sure I can get this phrased as a theme. But there were a whole bunch of details people, myself included, were hungry to get in this. So, my theme is Thanksgiving, we just came off Thanksgiving. I sat down at the Thanksgiving dinner table with expectations. I want my turkey and my stuffing and all the stuff that I expect. And I got a decent amount of that. I sat down at my Thanksgiving dinner and I've got all the stuff I expect to have on the table and it all looks like it's been well prepared and I'm ready to go, but people start bringing out other dishes that I have no interest in. Somebody brought some kale to the table, somebody brought some pizza table. And so, I start hearing about these other new initiatives, which are all probably fine if they just weren't interfering with the fact that I wanted to hear about simplification.

Justin Draeger:

Oh, I like this analogy a lot. You wanted oyster stuffing and somebody brought a kale salad.

Tony Erwin:

And somebody brought me kale salad. And the kale salad may be delicious, it actually may be really good for me, but I wasn't interested in kale salad. And at the FSA conference this year, I think our appetite was very much on what's coming at us for modernization. Excuse me, simplification, and we got extras.

Justin Draeger:

So in this instance, the oyster stuffing that you really wanted was FAFSA simplification?

Tony Erwin:

Yes.

Justin Draeger:

And you're saying there was a lot of good information. Did you get enough, I guess, of what you wanted then, if we're going to use this analogy of Thanksgiving?

Tony Erwin:

All right, so I did not get enough of what I wanted. And because I felt like whoever had prepared the meal had put a lot of work into it, but they prepared a whole bunch of dishes I really didn't want, and I wanted them to put more time into the dishes I did want, I wanted more details on that. But I am very thankful. It's Thanksgiving, I'm very thankful of all the work that went into it.

Karen McCarthy:

Oh, Tony.

Justin Draeger:

Yeah, all right. Fine, Tony. Yes, you've said all the right things. You're very thankful, but...

Tony Erwin:

I'm very thankful, but next time do not bring me any kale salad on my Thanksgiving table. I don't want to hear about new requirements that are unrelated to FAFSA simplification. I want all the time right now.

Justin Draeger:

So Karen, do you agree? Did we not get enough on FAFSA simplification or did you get what we expected to get?

Karen McCarthy:

I feel like we did not get enough, but I feel that I didn't really expect that we were going to get any more than that.

Justin Draeger:

So this was managing low expectations. Unlike Tony, you did not approach this FSA conference with Thanksgiving?

Karen McCarthy:

I know, I feel like Tony's making me look bad. When he mentioned the Thanksgiving theme, I was all, "Oh great, now he's going to make me look bad because I was complaining that I wanted more partnership talk from FSA and how they can support schools more, and we didn't really get that."

Justin Draeger:

So, Tony wanted more FAFSA simplification, did not get it. Karen, you wanted more FAFSA simplification, but didn't expect it. So in that sense, they met your expectations.

Karen McCarthy:

Right. Yes.

Justin Draeger:

And Jackie, how about you? Do you feel like we got, now there's group think going on, I've put you on the spot. Do you feel like we should have gotten a little bit more? What were you hoping for that we didn't get, Jackie?

Jacquelyn Cottom:

I think it would've been nice to get a little bit more actual examples and graphics of what the FAFSA was going to look like. But I was kind of surprised that they did give us a few things that were unexpected. So, a lot of this-

Justin Draeger:

All right, give us those things, Jackie. Give us some FAFSA stuff that stood out to you.

Jacquelyn Cottom:

... So some of the stuff that stood out to me, is that for the matches for the DHS, they're no longer doing the secondary confirmation that's going away. They said there's no point of having records sit and wait, so they'd rather get that information to the schools so they can start doing the outreach. For the actual timelines, I was surprised that they put dates to the timelines, because a lot of times we always hear, 'As soon as possible, we're working on that.' But they actually gave us some, they said that the draft specifications would be out by spring 2023, that the final would be out by the summer '23.

Justin Draeger:

Now, I haven't gone back and looked, have any of you? They've released specs every year. And I recognize this is on another level, because this is all new specs, but are those the normal timeframes that software providers and institutions get those specs? It seems to me those are pretty on time. Karen, do we know? Oh, Jackie, go ahead.

Karen McCarthy:

I do not know, but Jackie just inhaled like she might know.

Jacquelyn Cottom:

I was going to say it is. But one of the changes is that they're going to put them all together. So, usually they would release this one, they'd release the ED Technical Reference, the Application Systems Guide, the ICER Guide. They're going to combine a lot of that, so it's all going to be together. So, it's supposed to be easier for the user to read and process that information.

Justin Draeger:

And of course, a lot of schools will be depending on their software provider to do something with these specs, right?

Jacquelyn Cottom:

Yes. Right away. So they are going to release them for us.

Justin Draeger:

Yeah. So I guess the question is... I mean, the next question then that every school and NASFAA should have for the software providers is, is this timeline going to work for you because they're the ones who have to put together the schema, map this out, and then push it all out to the institutional student aid information systems? I don't have an answer for that yet. But did they release anything else on the timing? Did they affirm that this is going live October 1, 2023 for the '24, '25 year?

Jacquelyn Cottom:

They did not officially say that, but everything that they're not saying is basically saying that this is going to be pushed out. They even have a new logo, Better FAFSA, Better Future. So we can expect a better future. That's what they say.

Justin Draeger:

Okay. So the marketing team's up and running.

Jacquelyn Cottom:

Yeah.

Justin Draeger:

But Karen, what about the October, 1? What are you feeling here? What are you sensing?

Karen McCarthy:

Yeah, what I heard is that they are on track for a '24, '25 release.

Justin Draeger:

So, I don't want to be nefarious. I don't want to be-

Karen McCarthy:

Now, is it your turn to be negative now?

Justin Draeger:

... Yeah. That's right. It's a clear division on this podcast about trust, but I don't want to be nefarious. But Karen, if I were to just be a technocrat for a second and dig into the law, the '24, '25 year doesn't begin until July, 1. Obviously we can't have FAFSA release on July, 1. Okay, that's obvious.

Karen McCarthy:

Right.

Justin Draeger:

But when is the department by law required to have FAFSA ready? October, 1 isn't actually in statute anywhere. I remember when we went to October, 1, that was sort of like a nod to prior prior year and they said, "Okay, we're actually going to back this up to October, 1." Before that, if you've been in the profession for, I don't know, five years or more, it was always like, it would go live at January 1.

Tony Erwin:

Sober up and do your FAFSA folks. That was it.

Justin Draeger:

That's right. So I guess my point is, did they, and I didn't listen to all the sessions, but did they ever say it would come out October, 1 or are they-

Karen McCarthy:

No. No, they did not. And yeah, it is one of NASFAA's reauthorization recommendations, that they put into the law, the October, 1 implementation date, because it is not there. They're not required to release a FAFSA by then.

Justin Draeger:

... Okay. And I'm not here to say it won't be or will be. I guess what I'm saying is, what we would want as a community is just tell us when exactly, when you're expecting it. Schools need that information if they're going to try to implement an entirely new federal methodology. It would be helpful to know if that's coming out, October, 1, November, 1, December, 1, or what. And they haven't used that date. And I don't know if that's on purpose or on accident, but I think that requires some follow up from us. Do you agree, Karen?

Karen McCarthy:

Yes. Agree.

Justin Draeger:

Okay. What else stood out to you about the FAFSA? Anything else, Jackie?

Jacquelyn Cottom:

The other thing that stood out was just the fact that for verification, a lot of people have been asking what verification's going to look like. And they did say that for the '24, '25, it's all going to be random. So they don't have the data. They are going to keep the three tracking groups, but their words were, "It's changing, not changing." So, the three verification tracking groups are going to stay the same, but there is not going to be any process in selecting, it's going to be random, they're going to gather the data-

Justin Draeger:

There's no machine learning, they're not using Watson to figure out who should be selected.

Jacquelyn Cottom:

... Correct. Because the data is changing so much, they're going to need to start collecting data all over again. And then, with the '25, '26 cycle, they'll determine if there's any changes that will need to be made.

Justin Draeger:

So Karen, I wonder how many people who've been paying attention to this for so long are confused on why we haven't done anything with verification since FAFSA simplification was supposed to result in less, not necessarily no verification, but less verification.

Karen McCarthy:

Right. And you'll remember that the department's interpretation, which we would agree with, is that, schools don't have to verify anything that comes straight from the IRS because that's considered to be already verified information. So, with the new formula, pretty much all of the income fields are coming straight from the IRS. So, I'm really interested to learn... I understand their point about, we need new baseline data so that we can develop a selection algorithm to use in the future. That makes sense to me. But in terms of, if we're getting everything directly from the IRS, what does that V1 group look like? Is it look exactly the way that it does now? In which case, what is there for schools to verify? Or does the department select other data fields to verify? Because that is really at their discretion every year, they just have to announce that in the federal register. So-

Justin Draeger:

So they weren't super-

Karen McCarthy:

... I feel like we know some information, but I'm not completely clear on what they're thinking.

Justin Draeger:

... They weren't specific exactly what would be the criteria in each of those buckets. Just that buckets would exist. Is that right? And then, because if everything's coming from the IRS through this new affirmative portal that's being opened between the student and the IRS and the Department of Education, then they wouldn't necessarily need to use, we wouldn't be verifying income, is my point.

Karen McCarthy:

Yeah. And there will be some people for whom we're not using IRS information and they will have to manually enter. But they didn't say they were, from my impression, is that they didn't say they were focusing their verification efforts on that population. They said they needed a random collection to establish the baseline. I have more questions, I guess I would say.

Justin Draeger:

Tony, how about you? Anything stand out on the FAFSA simplification details or stuff you wanted more of?

Tony Erwin:

A minor thing. The increase in the number of schools that can report out, if I heard correctly, we're going from 10 to 20 schools. Which I think will be just easier for families and not having to think about waiting for the processing and then updating, just a nice piece for families to have that jumped out as a relative, seems like a relatively minor thing, but I think we'll have an impact to families, especially first time applicants.

Justin Draeger:

I think I also saw somewhere along the line that students will not be able to even start a FAFSA without an FSA ID going forward.

Tony Erwin:

Yes.

Justin Draeger:

That's a change?

Tony Erwin:

Yeah. There's no more of that kind of window where you can get started and then apply your ID. You've got to start authenticated to move, from the beginning, with their FSA ID.

Justin Draeger:

This might be tangentially related, but Karen, maybe you can catch us up here. Because the other thing I saw quite a bit of chatter about was, I guess new COD reporting with federal work-study dollars. And how is that rolled into or intersecting with FAFSA simplification?

Karen McCarthy:

Yeah, I think that everybody's ears perked up at that. It was really just kind of a one liner, I think in maybe the federal update, where they said, "The law doesn't allow us to collect federal work-study wages anymore. So, you are all going to be reporting it through COD." And then it kind of moved on to the next thing. And in our Slack community, everybody was furiously typing, "Wait, what was that? What was that?" And I was kind of multitasking and that jumped out at me as well.

And so, we did go back and do a little bit more digging on that. And there is kind of a buried paragraph in the FAFSA Simplification Act that says, "For work-study wages...", it basically instructs the secretary to take steps necessary to collect this information without adding additional questions to the FAFSA. And they use the words, "... including by collecting such information from institutions of higher education participating in the work-study program." So, they're basically required by law to collect this information from schools rather than collecting it on the FAFSA moving forward.

Justin Draeger:

So, I guess a couple questions about this, and I don't know, do we have answers or not? So these are, the reason that schools are reporting this or students used to, is because we've roll this out. These are funds that would not be counted in federal methodology.

Karen McCarthy:

Yes. And it is true that under the new formula, that federal work-study wages reported as part of income are-

Justin Draeger:

Rolled out.

Karen McCarthy:

... considered still part of excludable income, so they get rolled out, yes.

Justin Draeger:

So then the question is, this is income data from two years ago. How is this all going to line up? Will schools be reporting, I assume, on a tax year or will they be doing on an award year basis?

Karen McCarthy:

So this is part of the many questions that I've been noodling over since, I think this was announced on Tuesday. Because everything that we do for federal work-study purposes is on award year basis. We award it, you spend it, you report it through your FISAP, it's all based on an award year. But that's not how the FAFSA works. The FAFSA is based on a tax year. That's how you file your taxes. So, this will be based on, again, we're talking about prior prior year, because that's the income year that goes on the FAFSA and it's calendar year that we're looking at. So tax year purposes.

Justin Draeger:

Okay. So, how big of a deal do you think this is, Tony, for schools who have to implement this?

Tony Erwin:

I think it's a pretty big deal for a number of schools. For schools who have strong systems who are already doing substantial reconciliation of campus based aid, well coordinated data gathering for that purposes. I think the switch to being able to gather on a calendar year versus an award year is probably a speed bump, but not a major obstacle.

Justin Draeger:

Is the reason for that, Tony, because they do have to report aggregate amounts on the FISAP already and those aggregate amounts must be added from somewhere, so they must have these numbers for individual students?

Tony Erwin:

Yes. And if you think about from a reconciliation point of view, schools should be reasonably reconciling work-study earnings on an ongoing basis. And so, the infrastructure should exist. I think the biggest challenge... So for many schools, maybe a speed bump, with their systems can be adjusted or their data warehouses can be adjusted in such a way that just captures a different set of dates, not a big deal.

For other schools, I think some big challenges. You've got schools where work-study is not administered out of the financial aid office and the aid office may be award in determining student eligibility. This aid office determines student eligibility, makes an award, but then another office, maybe a human resources area, another office is involved in the hiring, the processing, time tracking, all those types of things. We do see a fair number of schools in our work at Blue Icon where work-study administration is

decentralized from the aid office and there are not great, there's not a great infrastructure for data reporting. And I could see for those schools this being a big challenge. Because even the method of reporting is now going to require somebody, presumably with access to COD to provide this information. And it may be that for many schools, the people who have everything to do with administering work-study have nothing to do with anything else in COD. So even that hurdle potentially.

Karen McCarthy:

Mm-hmm.

Justin Draeger:

Isn't that like if you're... Well, I guess not all federal work-study dollars are spent on campus, so that would negate HR doing something with this, right? Because if you have a student who's working on campus, whether it's federal work-study or not, HR should have a total accounting of all of their monies, wouldn't they?

Karen McCarthy:

Yeah. Well Justin, I was thinking about this too, because we're like, well, if it's calendar year, then you start thinking about-

Justin Draeger:

Taxes.

Tony Erwin:

Yeah, they're already producing W2s.

Karen McCarthy:

... W2s, yeah. But W2s don't reflect work-study earnings, they reflect earnings. So, because of the split between work-study and non-work-study funds, the W2 reports all of the money that a student earned. And you also have your off campus employers, your people who are doing community service off campus. So, in not all cases is the institution necessarily the actual employer.

Justin Draeger:

Got you.

Karen McCarthy:

So that kind of falls apart there when... Yeah, 'cause that's where my mind went too, "Calendar year? W2s."

Justin Draeger:

But that would have all earnings.

Karen McCarthy:

Yeah.

Tony Erwin:

I think the institutions that have good systems and good internal communication and are going to fare reasonably well with this. I think the schools who already have challenges around systems and internal communications are going to have a hard time with this.

Justin Draeger:

There was also something that they talked about with independent students not being able-

Karen McCarthy:

Oh wait. Hey Justin-

Justin Draeger:

... Yeah, okay.

Karen McCarthy:

... I had one more thing on the work-study thing that we were thinking about.

Justin Draeger:

Go ahead, Karen.

Karen McCarthy:

Yes. Is that, with a lot of the other COD reporting for the other programs, it's a constant reporting process. And when things change, schools are reporting that. And this though, because it's total calendar year earnings, they did say that they are expecting institutions to report in, with a lot more details to come about how this is going to work, for the 2022 tax year before the '24, '25 FAFSA rolls out, because they need that info for the '24, '25. But since you're reporting calendar year earnings, I am thinking that this is a once per year big data dump through COD. It's not a constant year round reporting like it is for all of the other COD reporting. I don't know if that, it makes it different. I don't know if it makes it easier or harder. Now you have one big deadline versus constant updating through COD, but it makes it different from other COD reporting that schools are doing.

Justin Draeger:

That's a good point, Karen. And it may depend on the type of school, again. For some schools it might be easier just to do one bulk, "Now we've done our COD federal work-study reporting." But did they give any sense of timeline, before '24, '25, they're going to have to go and report like... Well, I'm looking at that window.

Tony Erwin:

That window is soon.

Justin Draeger:

That's pretty tight.

Tony Erwin:

Yeah.

Justin Draeger:

Yeah. Did they say when this would have to happen? When...

Karen McCarthy:

No. Well, I think they said... No, I don't recall any specifics on that. They did say it was before the '24, '25.

Justin Draeger:

Yeah. Okay. Well before the '24, '25 FAFSA comes live, right? Because we're processing FAFSA's.

Karen McCarthy:

Right. Because they are going to be... Yeah. And the other, separate from the timing, the other thing that I was thinking about is, well this will definitely ramp up the accuracy of the reporting for FWS earnings on the FASA. 'Cause I feel like this is a high error prone question on the FAFSA as it is right now, because students have no idea what they earned, what was in their taxes, the question's confusing, all of that. So, I'll be kind of interested to see what happens to the... There's no response rate necessarily, but who has data in that field for this first year?

Justin Draeger:

All right. There was also some changes to independent students and providing parental information, Jackie, can you catch us up here?

Jacquelyn Cottom:

Yes. So, when they were talking about some of the changes, they mentioned that independent students will no longer be able to provide parental data on the FAFSA, which in theory sounds that should be the case. However, that does impact a group of students who receive the health professions loans, because they have to insert their parental data even though they are independent students. So, that's a group that we think that they might have missed. So one of the schools actually did contact the Health Resources and Services Administration Bureau and we didn't receive a response.

Justin Draeger:

What is this bureau? What? What is this? Is this-

Tony Erwin:

Are health professions loans a new addition to the podcast?

Jacquelyn Cottom:

No. So this is a different loan program. So these loans are not administered by the Department of Education.

Justin Draeger:

Is this over at HHS or what?

Jacquelyn Cottom:

Yes, it's HHS.

Justin Draeger:

Okay, I've never heard of the Bureau. Okay, go ahead.

Jacquelyn Cottom:

Yes, another acronym, another bureau. But they did say that they were made aware of this issue. I'm not sure when, but they said that they were made aware of the issue and they are looking at how this is going to impact their programs because their statute does require parental financial information on the FAFSA, so more to come.

Justin Draeger:

Okay. So we'll need that resolved. Okay. Anything else folks on FAFSA that stood out to you?

Tony Erwin:

I don't think we've talked yet about the move to demographic questions to become kind of optional questions for students around race and gender and other items that are not directly related to calculating eligibility. But those questions will now be presented differently and optionally.

Justin Draeger:

And that'll be different than... Yeah, go ahead, Karen.

Karen McCarthy:

Yeah, I have a kind of clarifying question on that. Because do they, Tony, I didn't hear this, did they say that answering the question was optional? Because my understanding was that applicants had to answer the question, but that one of the response options was, "I prefer not to answer."

Tony Erwin:

I think that's accurate, Karen. Yeah, I think that's...

Karen McCarthy:

Okay.

Justin Draeger:

All right. So those are coming back and those will be actually part of the FAFSA, which is a little different than how some of those questions are being posed right now, right?

Jacquelyn Cottom:

Yeah. right.

Karen McCarthy:

And they are required, this is not a Department of Ed initiative, it was part of the FAFSA Simplification Act that they add these questions.

Justin Draeger:

Okay. All right. All right. One final question for you all on FAFSA simplification. As you're kind of talking to your colleagues and your network, as you're watching chats on various social media sites or in our own community here at NASFAA, what's your sense about the level of preparedness and/or alarm from our members, from NASFAA members? What do you think, Tony, any observations here?

Tony Erwin:

I think people are, we're getting closer. So, the changes are becoming more real. Seeing specific changes to requirements during the sessions of the conference, making it even more real for folks. But I still feel like some of what we're seeing in response is, it's kind of like the advice my doctor gives me. I should do it, I should do it today, but I could also do it tomorrow or I could do it next week. And today I'm busy doing other things. And I think people in general are so overwhelmed at institutions right now, that the idea of taking action or even understanding what action to take around FAFSA simplification or even around looking at impact to aid budgets around the student aid index and all those types of things, are things that they know that they should do, but they're having a hard time prioritizing doing right now given all the other priorities.

And I think the conference has made that, probably brought it, made it a little more real for people, but I'm still seeing a gap between worry and action. And I think the problem is that other worries are kicking up all of the capacity to act right now for many financial aid administrators.

Justin Draeger:

So this is, I think is a good observation. And it's one, Karen, you and I have talked about a little bit, because I wonder if some schools are hoping that if there is a delay, we talked earlier about the exact date this is going to go live and we still have a follow up question or two on that. But out of FSA, the impression I have is that it is happening for '24, '25. That part came clear to me even if the go live date is not yet clear to me.

And part of that, Karen, we've talked about is because the whole Pell formula is also going to be based on this new SAI, there's a whole new way to calculate Pell, which I saw people also caught a little bit by surprise on how you calculate or how you do pro-rated Pell. All of that was catching some people by surprise. But that's all tied together. So you can't really delay the whole federal methodology without also delaying all the ways student aid is authorized. So, it kind of all has to move together. And what I heard was, it's happening for '24, '25. So, for schools that may have been quietly hoping that if it's delayed, we'll just delay it for a year. I think those hopes might be dwindling, because it is, like you just said Tony, it's happening. Karen, do you agree or disagree?

Karen McCarthy:

Oh, I absolutely agree and I have a couple things kind of piggybacking on what Tony said. I totally agree with that. And I feel like when I have gone out to states and presented on the FAFSA, that I always say, "You may have missed it." This bill is now a passed in December of 2020, so we're now several years down the line. But it was part of an appropriations bill and the second COVID package. And so, we were really right in the middle of COVID. Everyone was really worried about getting the HEERF dollars out the door.

And this bill, if it was a standalone bill in "normal times", would've been huge, it would've gotten lots of attention at the time. And it really didn't because there was so much going on. And people were like, "Oh my gosh.", at the time it was '23, '24 and then it was delayed to '24, '25. And I think people are like, "Oh thank God, I don't have to deal with that just now."

And now, in the recent months when I go out and present on the FAFSA, I do get some blank looks back at me like, "Oh my gosh, where do I even start with any of this? This is all way over my head." And so, this is a great time for us to plug the NASFAA-FAFSA simplification web center, because it pulls together like everything. If you're at square one, everything that has gone on and all the resources that we've created. We have a working group that has suggested and worked on several tools and checklists and things like that that we think schools will need, and they're all dumped in that one place. So, I always recommend that as a good place to start, especially if you are back at square one.

Justin Draeger:

Including flowcharts on how to calculate a Pell Grant with the new FAFSA methodology. So, a lot of good resources there. Okay, let's put a pin in FAFSA simplification. I have a sense we're going to be talking a lot about this over the next 12 months. Any other observations about the FSA conference? Jackie, any other final observations?

Jacquelyn Cottom:

Just one fun thing. I think, we were having fun at the fact of all the different acronyms that are being floated out there. Some sessions use different acronyms than other sessions. And so, we were comparing what the consistency of them was. And then also, I've learned some new vocabulary words, in one of the sessions I learned a little Latin "Qui tam," which means, he who brings suit on behalf of the king. So, I'm just getting a lot of new vocabulary and acronyms.

Tony Erwin:

Jackie, I don't think you can just leave that there. How did that come up?

Justin Draeger:

Yeah, what session was that exactly?

Jacquelyn Cottom:

That was in the preventing fraud session, and so they were talking about all of these cases that have come up. And so, it was really interesting. The presenter was trying to get us really engaged and-

Justin Draeger:

And over in TRA, will you guys be issuing a report card that we can give to the department on how well they consistently use acronyms?

Jacquelyn Cottom:

Absolutely. You know we look at every one of those things.

Justin Draeger:

Okay, perfect. We'll send it up with the next letter.

Jacquelyn Cottom:

Though I do to say, Karen was the voice of reason because she did remind us that all of these acronyms seem impressive, but it's just because they're new and just think about how the newbies feel. So Karen, thank you for that voice of reason.

Karen McCarthy:
Oh, thanks Jackie.

Justin Draeger:
All right. Tony, any final observations from you?

Tony Erwin:
I would say just overall from an experience point of view, I thought the platform for the conference was solid. I did not really have any chatter for anybody in my network complaining about access issues and things posted when they were, the speed of the live sessions posting so that you could go grab them if you weren't there, positive. I have a favorite session from production point of view, break out 17, which was on studentaid.gov, walkthrough and improvements was to me like TED talk level production.

Justin Draeger:
Really?

Tony Erwin:
It was nicely to produce. That was my favorite production session.

Justin Draeger:
How do you turn a session like that into a TED Talk?

Tony Erwin:
You had well-positioned cameras for the speakers who were nicely engaged with the audience. A nice kind of voiceover of the visual presented. Really set a high bar. That was the second, if I remember correctly, the second live session and it set a high bar. I'm not sure the rest lived up to it, but it was a solid session. But I will say kudos to the department on a platform that was reasonably engaging, seemed to do the job of getting everyone connected.

Justin Draeger:
I have a sense the department, as they listen to this podcast occasionally are really going to want you to be a returning guest here, Tony, because you have been blowing a lot of praise in that direction. And I'm here for it.

Tony Erwin:
I did throw a little shade on the kale salad. Before I just...

Justin Draeger:
Yeah. That was your shade, the kale salad?

Tony Erwin:
Well, I really don't like kale salad, so that's a lot of shade.

Justin Draeger:

You really have to know Tony. Okay.

Jacquelyn Cottom:

I do like that-

Justin Draeger:

Yeah. No, go ahead.

Jacquelyn Cottom:

... They were very creative, one of the new acronyms that I've heard is the SABER Initiative, which is the Student Aid Borrower Eligibility Reform Initiative. So, we keep saying FAFSA simplification changes from the FAFSA Simplification and Future Act. They have a nice tidy name for it all and it's SABER.

Justin Draeger:

And so it's called SABER?

Jacquelyn Cottom:

Yeah.

Justin Draeger:

Okay, fine. That's fine. Let's use it. All right. That's fine. From here forth with we will use SABER.

Jacquelyn Cottom:

Yeah.

Justin Draeger:

I won't. I can't.

Jacquelyn Cottom:

They're trying. They're trying.

Justin Draeger:

All right. Karen, any final observations from you?

Karen McCarthy:

No. Well, I was just going to say the same thing that Tony did, that I know that we all wish that we had an in-person conference, but I feel like over time they have really gotten a lot better. Remember the first virtual conferences, there were so many tech issues and people not being able to get in, and I haven't seen, I haven't experienced that and I haven't heard about that from anybody else. So, I feel like they have really upped their game in terms of offering a virtual conference.

Justin Draeger:

If there was ever a place where I would like to see VR used, how about the FSA virtual conference? Can we get one of these sessions or two in VR so we can walk around legless and bump into one another?

Tony Erwin:

You know what's funny, last year's platform, if I remember correctly, we've all been to a ton of virtual stuff in the last couple years, but last year's platform to me had what seemed like more functionality, virtual opportunities for engagement and communities and a slicker, what looked slicker. But at the end of the day, this year's platform, I actually think it was more effective and it got you down to this, it did a good job of getting you the content you needed and-

Justin Draeger:

Nobody wants to... Did they have a chat feature this year?

Jacquelyn Cottom:

They did have a chat feature.

Justin Draeger:

Did you guys go into it?

Tony Erwin:

... I did on the day one and I did not see much happening.

Justin Draeger:

There was just no way I'm going to... This is not even financial aid related. I'm just not going on to a government platform to have chats. I just, there's something ingrained in my heritage that is like, "No." I'm not a militiaman from Michigan or Idaho, but I'm also not going to go have chats on a federal platform. I don't know

Jacquelyn Cottom:

I didn't see that utilized very often.

Justin Draeger:

Especially when there's like a tip line. I don't know. I just feel like, I'm not going to be tipping my hat that I might be screwing something up on campus.

Tony Erwin:

Well, if I were to extend the potential for conspiracy theory, going back to the idea of reporting work-study wages to COD also makes me wonder what are we doing with that beyond just using it to calculate student aid.

Justin Draeger:

Oh, that's going to have to be for our next episode, Tony, or our offshoot, Off The Cuff conspiracy.

Tony Erwin:

Oh yeah.

Justin Draeger:

This will be like, we could have a CSI, we could have a bunch of CSI spinoffs, Off The Cuff Conspiracy, Off The Cuff Midnight Confessions, I don't know, something like that. We'll see.

Tony Erwin:

Oyster stuffing versus kale recipes.

Justin Draeger:

That's right. All right, Karen, Tony, Jackie, thanks very much for joining us on Off The Cuff. Everybody else, thank you for participating and sending us your comments and participating in the communities. To our Off The Cuff community, talk about and discuss and obviously put in your vote on whether we should continue to have virtual or in person FSA conferences. To everyone else, remember to subscribe, tell a friend, leave us a rating on your platform of choice that helps other people find a podcast and we'll talk to you again very soon. Thanks all.