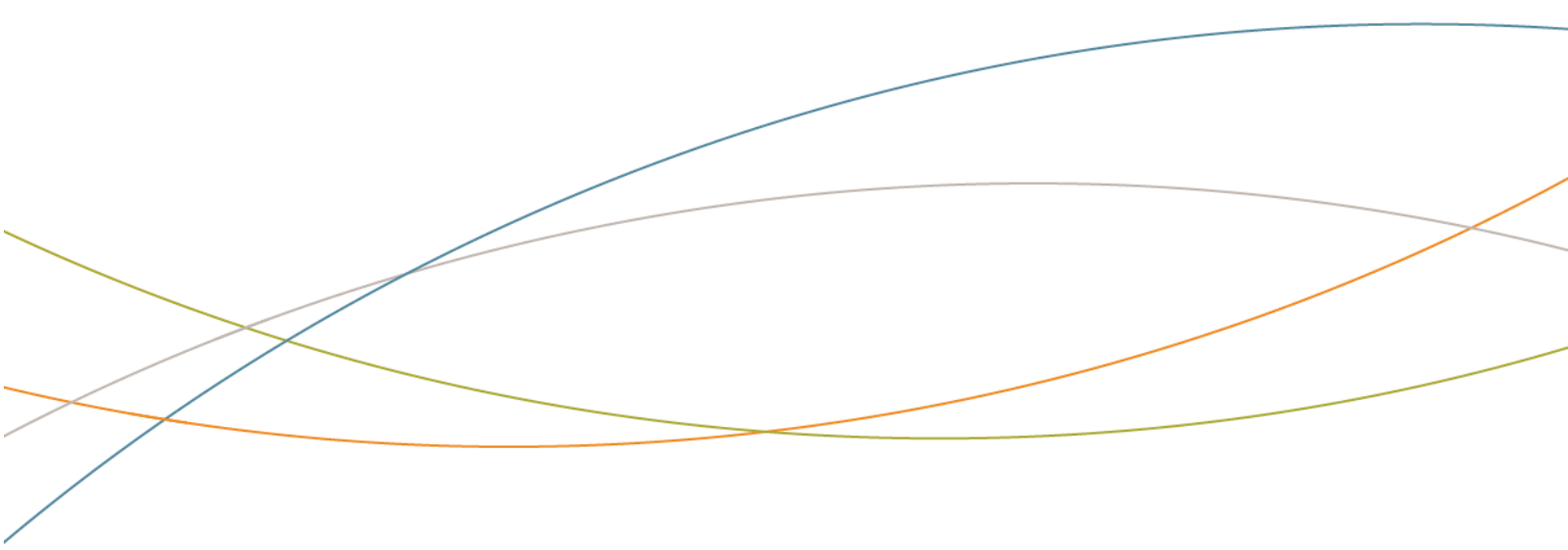


CREDO

FAFSA STRATEGY TO SUPPORT STUDENT SUCCESS

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FAFSA Strategy to Support Student Success

Delays in the release of the FAFSA and the distribution of information necessary for financial aid awarding are a hot topic across higher education currently. Concerns about how this will impact admissions and incoming student enrollment are at the forefront of this conversation, but we at Credo have been considering the ways in which these challenges will impact the success and retention of current students. The following resource provides an overview of the realities that campuses are facing, important recommendations for university leaders, and suggested strategies to support student success.

Current Realities

Information is ever changing, so what is outlined here may not be true tomorrow—but as of this moment, here is what we know:

- **Delays in FAFSA Processing and Receiving ISIR Files:** The uncertainty regarding when colleges and universities will receive federal aid information is a major challenge. Files will be delayed until at least mid-March, and it is likely that they could be delayed until April 1st or even May. The unclear timeline for receiving Institutional Student Information Record (ISIR) files complicates the financial aid packaging process. It seems that no application has been run from start to finish in the new system and once student ISIRs are sent to an institution, they will receive them in batches, not all at once. As of now, there is no word on the hierarchy or prioritization for the delivery of these batches. This ambiguity creates difficulty for colleges in providing students with accurate financial aid estimates, impacting students' ability to make informed decisions about their education.
- **Changes to FAFSA Calculations:** Adjustments in asset reporting requirements and the elimination of benefits for families with multiple students in college at the same time introduce complexities in determining financial aid packages. These changes could significantly impact students' financial aid eligibility, requiring colleges to navigate new calculation models and criteria.
- **Risk of Inaccurate Financial Aid Estimates:** Many campuses are under pressure to provide estimated financial aid awards based on incomplete or delayed information posing a high level of risk associated with inaccuracies. Students' ability to accurately plan could be negatively impacted and potentially lead to dissatisfaction or financial strain on both students and the institution. If an institution decides to provide estimated awards, they will need to be prepared to repackage every student again due to incorrect information. Very careful and honest communication with students and families is critical.
- **Compliance with New Guidelines:** Adapting to new FAFSA guidelines and ensuring compliance while still meeting the needs of students adds an additional layer of complexity for financial aid offices. These new guidelines require a thorough understanding of the changes, effective training for staff, and potential revisions of internal policies and procedures.
- **Capacity for Financial Aid Staff:** Many Financial Aid Offices may currently be more available than usual for special projects as they wait for the ISIRs to begin arriving later this spring. However, once the ISIRs arrive, Financial Aid Staff will quickly become overwhelmed and will need additional support.

- **Focusing on New and Current Students:** Colleges and universities often prioritize new student enrollment over continuing student retention. In this current context, many campuses are focusing on how to best support and award incoming students and may not have given much thought to how these changes will impact continuing students.

Considerations for University Leadership

These realities have significant short and long-term implications, and university leaders must provide strategic leadership for both incoming and continuing student impact. Key topics for consideration include the following:

- Continuing students may feel the impact of these changes and delays to the FAFSA even more than incoming students. Cabinet leaders must ensure that financial aid and budget teams are aware of potential changes in aid eligibility and how these changes could impact individual students already enrolled.
- Ensure that intervention processes are in place and discretionary funds set aside to support current students who have been negatively affected by changes in eligibility that result in significantly lower aid packages compared to previous years. Priority groups include students who may become ineligible for Pell grants, students with siblings in college, and families who are small business owners.
- Provide additional funds and encouragement for staffing resources in financial aid offices (e.g., overtime approval, additional staffing, morale boosting efforts)
- Ask financial aid leaders how they are approaching sharing FAFSA filing status with campus partners outside of financial aid. For purposes of recruitment and re-recruitment, other offices are permitted to support FAFSA completion efforts, and this practice will be even more critical during this season.

Student Success Strategies

The following strategies are focused on efforts that should be prioritized for the retention and success of your current students:

- **Enhance Communication and Support:** Clear, honest, and proactive communication with students and families will be critical during this time, because even though they are current students, this is an entirely new experience for them. Communication should include providing timely updates on the status of financial aid packaging and offering support and guidance through the process. All communication should be in conjunction with other communication related to clearance processes (e.g., billing, registration, payment plans, etc.)
- **Adjust Financial Aid Packaging Policies:** Institutions should proactively plan to adjust financial aid award policies to accommodate the delayed and potentially inaccurate financial aid information. This plan may include greater flexibility with estimated packages based on available data (with careful communication) and adjustments as needed when more accurate information becomes available.
- **Extend Deadlines for Financial Aid and Payment Plans:** Consider extending deadlines for financial aid next steps and payment plans to give students and families more time to plan and respond to financial aid offers, reducing the pressure and uncertainty they may be experiencing due to delays.

- **Implement Flexible Billing and Clearance Policies:** Colleges will need to take a close look at their billing and clearance policies and processes, offering grace periods for students facing delays in financial aid processing based on established criteria. This flexibility could help prevent students from being penalized for situations outside of their control, potentially impacting their decision to enroll or continue their education. Clarity of ownership for identifying and decision-making where exceptions are needed will be even more critical during this time.
- **Support and Encourage Current Students to Complete FAFSA:** If you haven't yet, launch a FAFSA completion campaign for continuing students (e.g., campus posters, texting outreach, advising reminders, incentivizes, tables for Q&A). Collaborate with partners across campus to create energy and excitement about increasing the number of students who complete the FAFSA. Share information about who needs to complete and celebrate progress and success with FAFSA completion rates.
- **Prioritize Student Needs in Decision-Making:** Always prioritize student needs in decision-making processes related to financial aid, billing, and clearance policies. A student-centered approach will help minimize the impact of financial aid uncertainties on student enrollment and retention.

An important reminder: Student thriving and retention is linked to a sense of belonging and community. Students want to know that they matter and have a place at their college or university – efforts to communicate your care and commitment to them in the most personal way possible amid these changes can make all the difference.