

Early FAFSA Timeline May Not Speed Up College Aid

By [Catherine Gewertz](#)

The 2016-17 school year marks a major milestone for aspiring college students: They can apply for federal financial aid on Oct. 1, three months earlier than in the past, in the hope of getting earlier aid decisions from colleges.

The change was designed to make college decisions easier, especially for low-income students. But a bevy of barriers, including state budgeting cycles and longstanding admissions timetables, are likely to undermine that vision, at least in this first year.

Along with making the Free Application for Federal Student Aid, or FAFSA, available on Oct. 1 instead of Jan. 1, the U.S. Department of Education this year is also [allowing students to use what insiders call](#)

"prior-prior year," or "PPY," tax information: family tax data that's a year older than what's been permitted in the past. Students applying for college in the fall of 2017 can submit their family's 2015 taxes, instead of not-yet-final 2016 tax figures that would have to be updated later.

That switch allows families to make better use of the FAFSA's data-retrieval tool, which automatically grabs their 2015 Internal Revenue Service information and plops it into the federal aid application.

A Streamlined Process?

Taken together, the changes are designed to make it quicker and easier to apply for the \$129 billion in loans, grants, and work-study slots that the education department awards each year to help 12 million students pay for college.

The College Board's CSS/Financial Aid PROFILE, used by 380,000 students last year to apply for aid at many private colleges, [also now accepts prior-prior year tax data.](#)

The Education Department has encouraged colleges and universities to make financial aid awards earlier, and is optimistic that many will do so, said Ed M. Pacchetti, who is leading the implementation of the early FAFSA from the department's office of federal student aid.

"We do think schools want students and parents to know earlier how much aid they qualify for," he said. "I think students and parents are going to respond

[← Back to Story](#)



Changes In the FAFSA

Students who apply to college in 2016-17, for enrollment in 2017-18, will be able to take advantage of several big changes in the Free Application for Federal Student Aid, or FAFSA. They're designed to make applications quicker and easier, and possibly get financial-aid decisions earlier from colleges, too.

more positively to a school where they know how much they're going to get to go to that school. It could become somewhat of a competitive advantage for schools who do package earlier."

High school counselors say they're happy that their students will find it easier to submit financial-aid applications this year. But many are saying privately that they aren't optimistic students will reap a key hoped-for benefit of the earlier FAFSA: getting aid decisions from colleges earlier.



"A lot of the promise of this whole thing falls apart if colleges don't give us those decisions earlier," said one counselor, who didn't want to be named for fear of alienating the colleges she works with on her students' behalf. And interviews with financial-aid officers suggest that relatively few colleges and universities will be able to provide students with aid decisions any earlier than usual.

Scrambling to Weigh Aid Offers

Typically, high school students submit financial aid applications by mid-February, counselors report. While they receive word instantly about federal loans and grants, they must wait much longer—often until early or mid-April—to receive aid offers from the colleges that have offered them admission. With a nationally recognized date of May 1 to accept a college's offer of enrollment, families often have only a few weeks to evaluate multiple financial-aid offers and figure out how to finance gaps between aid and the cost of college. It's a particularly tight spot for families without deep pockets.

That's what Aislinn Diaz went through last year when she was trying to figure out where she could afford to go to college. Diaz was 17 and a senior at Irma L. Rangel Young Women's Leadership School, a public, all-girls school of 560 students in Dallas. She'd been accepted at four colleges and wait-listed at another. Her parents run a barbecue restaurant, and couldn't afford to foot a big college bill, so financial-aid offers mattered a lot.

With only a few weeks until they had to make a decision, Diaz and her family plunged into evaluating what they would have to pay, given the cost of each, how much aid it offered, the federal grants she'd been awarded, and the other scholarships her counselor, Ann Marano, had pushed her to apply for. "It was a really stressful time," Diaz said. "Sometimes I felt like I was panicking."

She accepted the offer that made the least financial demand on her family: from Wellesley College in Massachusetts. Now a rising sophomore, Diaz is happy with her choice, but the what-ifs still swirl in her head. Would it have gone differently if she had had more time to evaluate the offers, and visit the colleges that made them? "I would have liked to have had that time," she said.

State, Institutional Barriers

College and university financial-aid administrators support the use of "prior-prior year" tax information, and the early availability of the FAFSA, said Megan McClean Coval, the vice president of public policy and federal relations for the National Association of Student Financial

Aid Administrators. But it's been **less than a year since the Education Department announced those changes in September 2015**, and it will take a few years to shift fixed timelines that have long governed higher education's work, she said.

Iowa State University is pushing hard to honor the spirit of the timeline shift. Roberta Johnson, the director of the office of student financial aid at the 36,000-student institution, said it is "committed" to sending out financial-aid awards by the end of January, two months earlier than usual. Many private institutions are cushioned by big endowments or research grants, but publicly funded schools like Iowa State depend heavily on tuition, which is driven by state funding levels. Iowa's legislature doesn't convene until January, so Iowa State is going out on a limb to promise aid decisions that same month, she said.

"We're definitely going into some uncharted territory as we start to plan," Johnson said.

A Domino Effect

The university might have to send out aid letters with conditional language, and possibly revise the awards later, Johnson said. And sending aid letters out early has ripple effects on the fall calendar: Iowa State will have to ask students to turn in the FAFSA on Dec. 1, instead of its usual March 1. Now Johnson and her colleagues are worried about how that will affect admissions.

"Some students are still visiting our campus in the late fall. They might not decide to apply here until after Jan. 1. Now we might lose those students" if the financial-aid deadline is so early, or applicants who miss the deadline will be at a disadvantage in getting institutional aid, she said.

To minimize those effects, Iowa State now plans to add a new element to fall visits: Students can sit down with financial-aid office staff members and fill out the FAFSA, right then and there.

But most colleges and universities will find those changes impossible to make.

Rachelle Feldman, who oversees financial aid at the University of California-Berkeley, said her school supports the FAFSA changes, but its admissions cycle won't permit it. At Berkeley, which received 103,000 applications last year, admissions officers use an intensive, holistic approach, and don't get done until early spring, she said. Even if FAFSA applications arrive in the fall, there wouldn't be admitted-student records to match them with yet, she said.

The Rhythm of State Funding

Like other public institutions, Berkeley depends heavily on state funding in setting its tuition. And it also must keep a keen eye on the level of Pell Grant funding set by the federal government.

Berkeley is trying to move the FAFSA process earlier for returning students, to free up more time to evaluate new students' aid applications and make early offers, Feldman said. But even as campus officials work toward that, they're questioning it.

"How valuable is it to get an aid offer if there are 15 asterisks because we don't know what the budget is, what tuition will be, what the [maximum] Pell Grant [amount] will be?" she said. "Is

it better to have an early letter with lots of caveats or a later letter that says you can count on this?”

Feldman, who leads a financial-aid-administrators’ task force on the early FAFSA, said many of her colleagues are still figuring out how much, if at all, they can shift their aid timelines.

Even software systems can complicate moving financial-aid awards earlier. Samantha Veeder, the director of financial aid at the University of Rochester, said she usually receives annual updates after Jan. 1 to the software that lets financial aid offices manage students’ admissions and aid files. If updates don’t come earlier, she said, her private institution of 5,300 students might not be able to match early FAFSA submissions with admissions applications.

Unintended Consequences

High school counselors have welcomed the early FAFSA, saying that a quicker, easier process will encourage more students to apply for aid. But it’s also making them scramble to rearrange college-planning events.

Marie Bigham, the college counselor at the Newman School, a small, private K-12 school in New Orleans, said that a program she would have held in late August, just as school begins, on how to fill out college applications, was pushed back to June 6. The session she typically scheduled for early January, to acquaint families with the financial-aid process, will instead be held in late September or early October.

Counselors tend to use fall to focus students on finalizing their college lists and submitting applications, and then turn to financial aid in January, when the FAFSA used to become available. Dealing with them both together, in the fall, will intensify counselors’ workloads at a busy time of year, said Aislinn Diaz’s counselor, Ann Marano, at Irma L. Rangel Young Women’s Leadership School in Dallas.

“This dramatically changes the stress points. I usually say senior year is a roller coaster, but this makes it a fall squeeze,” she said.

But a heavy workload isn’t most counselors’ top concern about the early FAFSA. Even those who applaud it, in K-12 and higher education, are worried about its possible unintended consequences.

Special Risks for Needy Students

If colleges move priority aid deadlines earlier in order to produce earlier awards, that timetable could have a disproportionate impact on lower-income students, said Veeder, of the University of Rochester. Such students typically have the least access to counseling support in college planning, and they might not realize that a lot of institutional aid is distributed on a first-come, first-served basis, and might be gone if they wait very long to submit aid applications.

“How will the most marginalized students and families know and be able to apply in time?” Veeder said.

Some high school counselors worry that the pressure to submit applications for aid, and possibly admissions, earlier might lead students to short-circuit a full college-exploration process. In late fall, many teenagers are still figuring out where they want to apply. But an

early, good financial aid offer could lead a student to “take himself out of the admissions marketplace because he feels he has a good choice already in hand,” said Phil Trout, a college counselor at Minnetonka High School in Minnesota.

Earlier deadlines could shift the entire college planning and application process earlier, with high school transcripts needed before the first semester of senior year is complete, said Johnson, of Iowa State.

“It could end up being a six-semester transcript, and that could put more pressure on students in those first three years,” she said. “And what does that do to senior year?”

Even with open questions hovering over the process, however, many counselors view the earlier FAFSA timetable as a door to college that just opened wider.

“I’m super thrilled. At our school, the question isn’t if you’ll go to college, but where you’ll go to college,” said Marano, the counselor at Irma L. Rangel in Dallas. “And for our families, the financial aid piece is important. So making it easier is huge.”

WEB ONLY

RELATED BLOG



[Visit this blog.](#)