

## THE CHRONICLE OF HIGHER EDUCATION

### Government

---

July 3, 2014

## Problem With Online Fafsa Makes Some Low-Income Filers Look Like Millionaires

*By Kelly Field*  
Nashville

An update to this year's federal student-aid application is making some low-income filers look like millionaires—and could cost some their federal student aid.

The problem with the online Free Application for Federal Student Aid has already affected thousands of borrowers, and is likely to affect more in the future, Jeff Baker, policy liaison at the Education Department's Office of Federal Student Aid, told student-aid administrators here on Wednesday.

"It's a serious problem," Mr. Baker said at the National Association of Student Financial Aid Administrators' annual meeting. "We have to fix it."

The problem, which was picked up by an astute aid administrator, stems from a decimal point. For the 2014-15 Fafsa, the government expanded several income and asset fields in the online form to accommodate higher incomes. But some lower-income filers are missing the .00 outside the box, and entering cents into the text field. When they do that, an income of \$22,852.19, for example, is converted into \$2,285,219.

If the error isn't caught or corrected on individual forms, the filers can lose out on Pell Grants or other need-based student aid. So far, the department has identified 165,000 individuals who made the mistake, but there may be more that it has missed.

Mr. Baker estimated that a majority of colleges have at least one affected student; a few have hundreds. Some of those students have already received their award packages. Colleges will have to reprocess those individuals Fafsas and notify the students of any revisions in their awards. Colleges that offer institutional aid will have to reallocate their own money as well—a "double whammy," said Justin Draeger, president of the association.