



# 2024-25 FAFSA & ORSAA Updates

Senate Interim Committee on  
Education

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**Higher Education Coordinating Commission (HECC)**

January 11, 2024

# Free Application for Federal Student Aid (FAFSA) Simplification

There are several changes being made to the financial aid process – known as FAFSA Simplification.

## Changes include:

- Streamlining and simplifying the FAFSA Form<sup>®</sup> by obtaining the applicant's (and their parents, if applicable) income information directly from the Internal Revenue Service (IRS). This shortens the application significantly.
- Changing the Federal Pell Grant eligibility criteria, including new automatic maximum and minimum Pell Grants based on federal poverty guidelines.
- Replacing the Expected Family Contribution (EFC) with the Student Aid Index (SAI), modifying the formula, and allowing negative values. The lowest SAI possible is -1500 (versus a 0 EFC).
- Changed how institutions calculate food and housing allowances in the cost of attendance (COA)\*.
- Elimination of limitation on student eligibility related to Selective Service registration and drug convictions.\*
- Elimination of the ban on Pell Grant eligibility for confined or incarcerated individuals.\*

The FAFSA typically opens October 1 each year (for the following academic year). For the launch, the 2024-25 FAFSA was delayed until December 30, 2023.

For the 2025-26 FAFSA, Federal Student Aid (FSA) has indicated the cycle will return to October cycle – starting October 1, 2024.

*\*Change occurred prior to 2024-25 FAFSA launch in the 2021-22, 2022-23 or 2023-24 FAFSA Form<sup>®</sup>*

# Free Application for Federal Student Aid (FAFSA) Simplification

With changes, come unknowns and challenges for students, families, institutions, and financial aid entities/agencies.

## Potential impacts:

- Possibly more applicants for admission and/or financial aid due to easier submission process of the FAFSA Form®.
- Student eligibility changes. Overall trend is that more students will have a lower SAI and be Pell Grant eligible. However, there are some students who will receive less or no federal aid due to the formula changes. This has retention concerns for currently enrolled students who may see a drop in their financial aid offerings before degree completion.
- Compressed timeframe for this 2024-25 cycle for all entities to make financial aid offers on limited data, and for institutions to complete verification and review unusual/special circumstance requests, given the delays.
- New FAFSA data-sharing limitations for entities who receive FAFSA records, and for those who participate in FAFSA Completion efforts.
- Institutions and agencies who receive FAFSA records are now responsible for proper handling of Controlled Unclassified Information (CUII) in the form of federal taxpayer information (FTI) from the FAFSA.

2024-25 records are delayed to state agencies and institutions until February 2024.

Students cannot access their FAFSA Submission Summary until February 2024.

# Oregon Student Aid Application (ORSAA) Update

Oregon's alternative to FAFSA for undocumented and Deferred Action for Childhood Arrivals (DACA) students in Oregon to apply for state and institutional financial aid opportunities.

The ORSAA application mirrors the FAFSA in questions and methodology for calculating financial need, with a few additional Oregon-based questions (tuition equity, etc.).

While the application will not see significant updates to the look and feel, the question changes and shift to Student Aid Index will be implemented.

**2024-25 ORSAA will open  
sometime in mid-January  
2024**

**Milestone:**

The 2024-25 form marks the 9<sup>th</sup> application cycle for the ORSAA.

# FAFSA/ORSAA Updates Impact to Financial Aid

## OSAC's Financial Aid Management Information System (FAMIS)

- OSAC is currently updating FAMIS to be ready to accept new FAFSA/ORSAA records in February, while simultaneously making a new FAMIS via HECC Modernization Project.
- Changes to majority of FAMIS screens for all programs in relation to eligibility, data field changes, and new security requirements

## Eligibility and Awarding Financial Aid

- Historical data irrelevant regarding EFC trends, FAFSA/ORSAA filing dates, etc. It will take a few application cycles to get back to some predictability.
- Federal Student Aid (FSA) estimates that more students will be Pell Grant eligible under new formula for SAI, which increases costs for need-based grants/scholarships



# FAFSA/ORSAA Updates Impact to State Financial Aid

**Oregon Opportunity Grant (OOG)**



2023-24 Expected Family Contribution (EFC)	OOG Authorized Students
0	56.3%
1-2,000	14.3%
2,001-4,000	11.5%
4,001-6,000	9.7%
6,001-8,000	8.1%



Forecasted Student Aid Index (SAI)	OOG Authorized Students
-1500 - 0	74.3%
1-2,000	4.1%
2,001-4,000	5.3%
4,001-6,000	5.1%
6,001-8,000	3.1%

\*8.2% fall above the 8K Limit

**Oregon Promise Grant (OPG)**



Fall 2023	OPG Disbursed Students
Pell Grant Authorized	45.7%
OOG Authorized	42.8%



With most students shifting to a lower SAI than their prior EFC calculation, more will qualify for higher Pell Grant and OOG. This will increase both the Pell dollars into the state and the demand for OOG grant funds due to a greater number of students with the highest need.



# Oregon Promise & Pandemic-Affected Cohorts

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# Oregon Promise Grant (OPG)

Helps cover the average cost of tuition at Oregon's community colleges for recent high school and GED® test graduates.

Oregon Promise is a last-dollar grant to the Federal Pell Grant and Oregon Opportunity Grant. Award can be used at any Oregon community college, up to 90 attempted college credits. Students must apply during their senior year or immediately after GED® test completion. If awarded, students must attend at least half-time the next college term available (excluding summer).

## 2023-24 Awarding (full-time)

- Maximum award: \$4,248
- Minimum award: \$2,058



## GOAL:

To increase college enrollment, completion, and affordability for recent high school and GED® test graduates.



# Oregon Promise Grant Today

A peek into current application and award trends.

Beginning with Class of 2023, the Oregon Promise Grant has seen increases to program participation and expenditures – close to pre-pandemic numbers (2019-20). If trend continues, OSAC likely will need to institute an SAI limit for new OPG students in 2024-25.

Year-to-Date Application Data (Jan 2)	# of Started Applications	# Submitted Applications
<b>Class of 2024</b>	<b>7,263</b>	<b>6,657</b>
<b>Class of 2023</b>	<b>6,316</b>	<b>6,314</b>
<i>Class of 2019</i>	<i>9,730</i>	<i>5,738</i>

Preliminary Disbursement Data (new and renewal)	# of Students Disbursed	\$ Disbursed to Students
<b>Fall 2023</b>	<b>10,412</b>	<b>\$9,826,303</b>
Fall 2019	11,335	\$8,041,278

### Post-Pandemic Boom

- Class of 2024 application submit rate increase by 57% YTD compared to Class of 2021 and 16% to Class of 2019
- Fall 2023 disbursements higher than anticipated. Renewal student pick-up rate 80% (highest in program history)

# Student-Centered Oregon Administrative Rules Implemented During Pandemic for Oregon Promise Grant

## Spring 2020 High School Students

- Allowed high school registrars to manually calculate GPA for P/N term of spring 2020 for those who *mathematically* could have achieved a cumulative, unweighted 2.5 GPA had grading not been impacted by actions relative to local/state emergency orders.

## Spring 2020 Current College Students

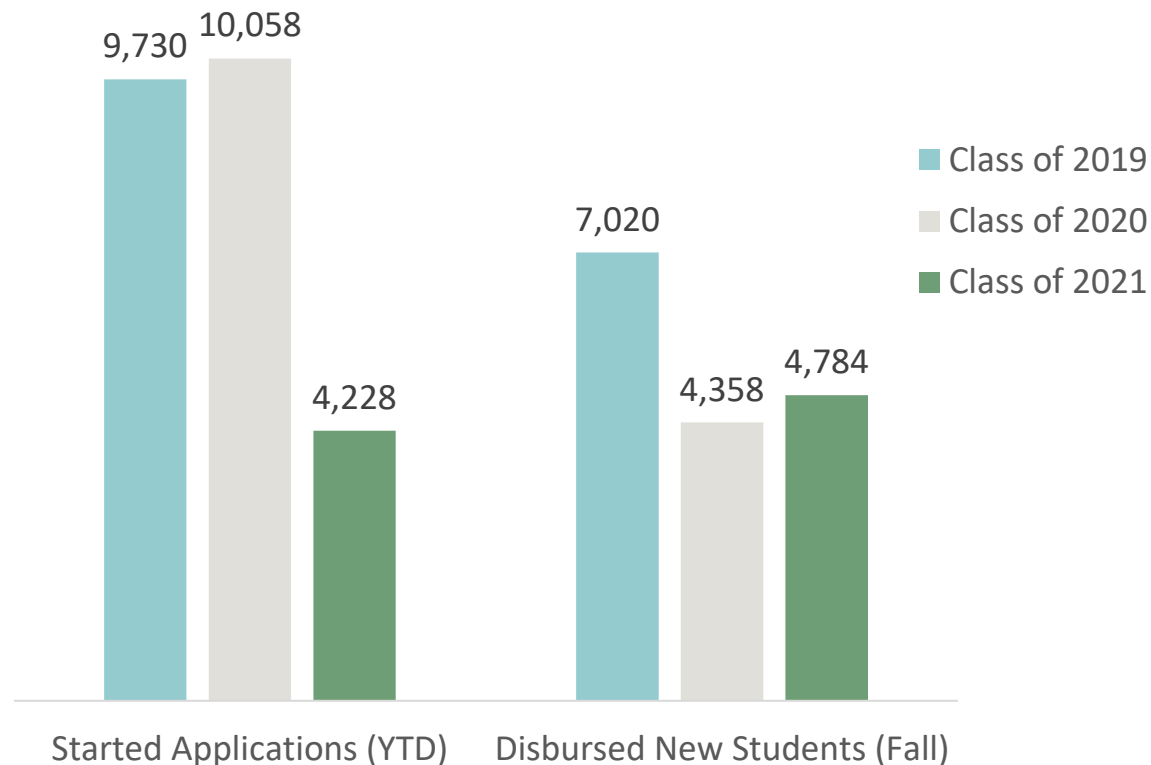
- Implemented automatic enrollment waivers for Spring 2020 for all authorized OPG students. Typically, students need to attend or continue attending college for OPG eligibility.
- Extension of the First-Year Experience (FYE) requirement by a term for any student still in the three-term window of FYE completion.

## Program Adjustments

- Continued GPA flexibility for any student who had Spring 2020 P/N grades on their transcript. Still active today.
- Extended deadline appeal window for Class of 2020 and Class of 2021 to allow more students to apply for the grant (deadline is June 1 for traditional HS graduates).
- Allowed students more flexibility on enrollment waivers (6-month and renewal) while Executive Order No. 20-09 was active.

# OPG: Class of 2020 and Class of 2021

How did the pandemic impact their college access?

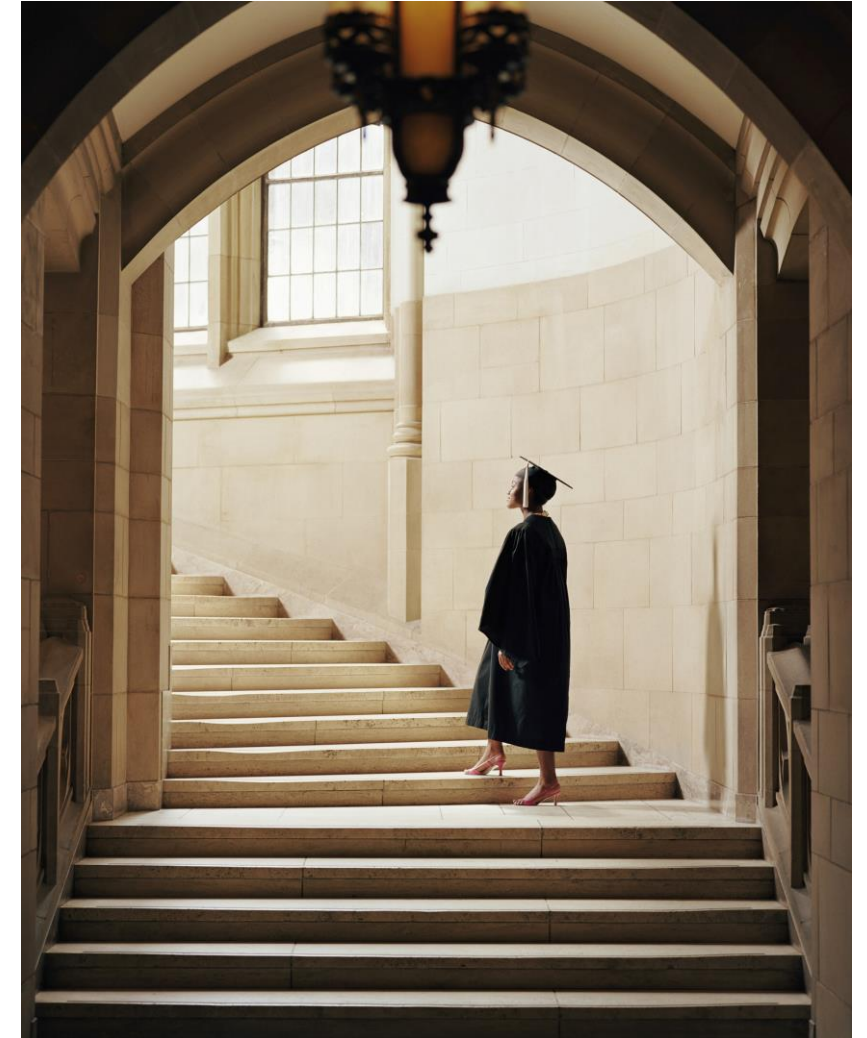


- Since the application opened Sept. 2019, the number of applications and authorized students was on par with Class of 2019.
- Class of 2020 also experienced a \$3.6 million budget cut to the grant, thus creating an EFC limit (22,000).

- Class of 2020 had a low number of students picking up their award, which led to the lowest renewal participation for Fall 2021 (2,767).
- There were many reasons that likely contributed to the low OPG participation for Class of 2021:
  - Prior year having an EFC limit and budget cut
  - Continuing uncertainty and stressors from pandemic

# Legislative Concept 222 – Pandemic Cohort Eligibility Restoration

- Allows individuals who completed high school, or equivalent, in Oregon between March 1, 2020 to February 28, 2022 to apply for the Oregon Promise Grant in 2024-25 or 2025-26 to utilize at one of Oregon’s 17 community colleges.
- Students must meet all other eligibility criteria for the grant:
  - Oregon residency (12+ months prior to college attendance, and 6+ months for parent if dependent student).
  - Graduated with 2.0 cumulative, unweighted GPA or passed all four GED® tests.
  - Have not attempted more than 90 college credits.
  - Once student starts/restarts OPG, they must remain continuously enrolled (fall, winter, spring), have good academic standing, submit FAFSA or ORSAA by June 1 each year, and meet all renewal criteria.



# Oregon Promise: Pandemic Cohort Eligibility Restoration 2024 and 2025

Student Disbursement Projections	2024-25	2025-26
Est. Headcount Disbursed	6,500	8,000
Est. Average Award	\$2,919	\$3,021
Est. Cost	\$12.6 million	\$19.1 million
	\$31.8 million	

- There will be additional costs related to additional staffing through the duration of the pilot program, IT programming, and marketing/communications.
- These projections carry a wide range of uncertainty in terms of budget and participation.
- Additional challenges related to 2024-25 FAFSA/ORSAA and EFC to SAI transition.
- System challenges related to HECC Modernization Project.

Source: HECC Office of Student Access and Completion

Notes: Roughly 81,000 students completed high school, or its equivalent, in Oregon during 2020 and 2021. There is limited data on how students would engage with Oregon Promise 4-5 years after graduation and who would have eligibility.