

NASFAA's "Off the Cuff" Podcast – Episode 296 Transcript

OTC Inside The Beltway: New Changes at NASFAA

Maria Carrasco:

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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.

Beth Maglione:

I'm Beth Maglione, executive vice president.

Charlotte Etier:

I'm Charlotte Etier, the director of Research and Grants.

Justin Draeger:

Hey everybody. Welcome back to "Off the Cuff." Karen, you were traveling this last week. How'd it go?

Karen McCarthy:

It was good. Yeah, earlier this week, I was at the COSUAA Conference, the large public institutions. It's a smaller conference. Great. Yeah, I normally attend really much bigger conferences, so I got to meet and greet with a lot of people, meet some new people, see some old friends, chat about the FAFSA, all those things. Did anything happen around here?

Justin Draeger:

Nah. I'm going to channel my teenagers right now, nah. "How was your day at school? Anything happen?" "Nah. Nah." That's what it's like around my house. What's it like at your house? You have a teenager.

Karen McCarthy:

Yeah, I get that too. Yeah.

Justin Draeger:

Yeah. I could literally get notifications that there was a major emergency at their school. I know something happened at their day at school, and I'll ask them and they'll, "Nah, nah, nothing happened." "Well, I heard there was an emergency, a kid went to the hospital." "Nah."

Karen McCarthy:

Yep.

Justin Draeger:

"Nothing." Yeah, actually something did happen while you were traveling, Karen. So I announced this week that I'm stepping down from NASFAA. I'm not stepping down until June 21st, so I still will be around. Karen, you obviously had a heads-up about this before you went to COSUAA, but you were at COSUAA while all this was going on. Beth, you've been on the podcast but it's been a number of years and wanted to bring you on because you were confirmed by the board as our interim president while they open up and conduct a search. We'll talk a little bit about that. This is not going to be the entire podcast. I don't want to spend the podcast on this, but it's probably worth talking a little bit about that. Do you guys have questions or do you think there are questions that are coming from... Yeah, Beth, what do you got?

Beth Maglione:

Yes, I have a lot of questions. Number one, how dare you?

Justin Draeger:

Okay. I feel like that may be a question that folks... I have to tell, first of all, I think you all know that I'm a guy who strives for inbox zero, I strive. I'm not as precise about it as I used to be. I also feel like, Charlotte, you might be an inbox zero type of person.

Charlotte Etier:

Absolutely, can't sleep at night if there's an email in that inbox.

Justin Draeger:

Yeah, I think you and I are connected in that way. Beth and Karen, I don't think you suffer from this addiction.

Karen McCarthy:

No.

Justin Draeger:

Based on more than almost two decades of working with you. I don't think you suffer this same affliction. But I am so buried right now, and it's mostly just very supportive notes and congratulatory notes. It's very much been an outpouring of just congratulations and some sadness on behalf of NASFAA's part, but a lot of confidence in NASFAA's future and the strength of the organization, so all the right things. But to, Beth, your question about how dare you, this obviously was a... Honest, first of all, I'm not treating this as trite. Okay? I sound trite today, but that's because I've been living with this for weeks and weeks and weeks. Beth, just out of necessity. You were brought on in this very early, so

you've been living with this for weeks and weeks and weeks. To some extent, tell me if I'm wrong, but there's a certain amount of relief that it's just out at this point. Yeah?

Beth Maglione:

Oh, absolutely. Yeah. I've been thinking a lot about the rollout and just glad to have that in the rearview and looking towards the future.

Justin Draeger:

Yeah. Right.

Charlotte Etier:

Well, as someone who's been living with this for only two days, I am not at the relief stage of my grief yet, just so we are all on the same page.

Justin Draeger:

So I understand. Yeah. Charlotte, you started at NASFAA as an intern.

Charlotte Etier:

Yeah, I was the DME intern in 2014, so I've been here for 10 years.

Justin Draeger:

10 years, yeah. So you've been here for a long time. Somebody reminded me yesterday in a manager's meeting for the majority of NASFAA staff, which when we had our all-staff on Tuesday, just so people know, if you want a little glimpse on the inside, so this is day before the announcement went public, on Tuesday morning, we sent out an announcement. At 7:30 in the morning, our chief of staff sent out an announcement and was like, "NASFAA staff, we have an important announcement that's going to go out on Wednesday." I don't know, I'm summarizing this. "We have an important announcement that's going to go out on Wednesday. We'd like to invite you all to a all-staff meeting at 2:30 to hear about it. So come if you can, and if you can't, we'll send out a memo afterwards." Maria and Charlotte, Maria's producing this week, I imagine the intent of that was not to set off alarm bells, but-

Charlotte Etier:

Perhaps that was the intent, but that is obviously not what happened, just so we are all on the same page. Yeah.

Justin Draeger:

Yeah, so-

Beth Maglione:

The rumor mill kicked into high gear, I assume.

Justin Draeger:

Yeah. Okay.

Charlotte Etier:

Yeah, absolutely.

Justin Draeger:

All right, mission failed. So seven hours later we all jump into a meeting and so we tell the staff, and this is where, Karen, it's helpful to have like a Tim, maybe I should have just been looking at Tim the whole time, because Karen, you texted me after the all-staff meeting where we notified people and you were like, "So how'd it go?"

Karen McCarthy:

Yeah.

Justin Draeger:

I was like, "No idea."

Karen McCarthy:

Yeah, you said-

Justin Draeger:

Stunned silence.

Karen McCarthy:

You said, "Fine," with a little question mark.

Justin Draeger:

And a shrug emoji.

Karen McCarthy:

Right. Right.

Justin Draeger:

Like, "I don't know. They seemed fine." But I think staff were digesting, so Charlotte, your point is well taken. I think a lot of NASFAA members were also taken aback, and I would just say that it's not trite. But we've been sitting on this for weeks because there's been crisis after crisis, and you can't get the timing of these things quite right, and it has nothing to do with... I'm not here to defend the timing. Life's big choices and opportunities are never on your timetable. There are lots of sayings that go along with this. You make plans and God laughs or just whatever you have planned for life, life intervenes in ways that you don't necessarily plan. For me, this was not about in any way leaving NASFAA.

In fact, I had plans to just see all my kids leave home before I considered a transition, and for us, that's another three, four years. I thought that would be a nice transition point, but it came down to my own professional growth and stretching my boundaries a little bit. It was very much not about leaving NASFAA particularly right now, and it was about making sure I could transition at a time this summer after the conference, after, God help us, most of the crises with the current FAFSA and turning some corners. But I would've chosen a different time if I could, but the opportunities come when you don't

expect them, and so that's what it really came down to. Okay. Beth, does that answer your question about how dare you? Are there any other questions that I should try to address without making this whole episode about this?

Beth Maglione:

Well, may I ask what, if anything, does this have to do with FAFSA? Is there any correlation? I have seen a few speculations.

Justin Draeger:

Yeah. So it's funny, it's not about FAFSA at all. In fact, if anything, the FAFSA thing was one of the major... If you make your lists right when you're doing a big career shift, if you make your list of pros and cons and all of that, interestingly, the FAFSA thing, and I'll just speak for us at NASFAA, and Karen, I'll be interested in your take on this because I feel like in a lot of ways you and I have been linked a little bit here, but I'm tired a lot of days at the end of the day. But in a weird way, it's a good tired, I'm tired, but not burned out for NASFAA. I know this is maybe not emblematic in any way of what's going on on campus, 'cause I know there are aid administrators who are just done, are burnt out. I hear from them every day. But I'll just say at NASFAA, we are, in the last couple of months have been firing on all cylinders perfectly in sync. We are answering more AskReg's questions we've ever answered.

We are in sync with Democrats. We are in sync with the Republicans. We are being called on by both sides of the aisle. We're talking to the Department of Education every single day multiple times a day. We're hearing from our members every single day. We are public when we need to be public. We are in the press when we need to be in the press. We are behind the scenes when we need to be behind the scenes. We're talking to the White House. I feel, if anything, invigorated most days because we're just hitting all our marks. It feels like a lot of what happened during COVID was prep work for NASFAA, at least for right now. So I can't go in and fix the FAFSA, and Karen, we don't have access to COD to get that online. We don't have access to all of the systems, but for us, I just feel like NASFAA is hitting all the marks.

I just want to say one other thing. It's been a huge honor, the biggest perhaps of my professional life to be the conductor of this orchestra that is NASFAA, but I haven't answered to a single AskReg's question in 14 years. I don't write the articles that Maria, Hugh, and Karen's team write. I don't do the research that Charlotte does. I'm not doing the bulk of the grant work. Blue Icon brought up an entirely new program in six weeks. Beth, I'm not doing all the HR work that you oversee, all the operations work you oversee, the communications team and membership teams you oversee. I get to be the front man, but we have to be honest about the NASFAA team and committees and task forces that do all the work here, and none of that's going to miss a beat when I step away on June 21st. In fact, the FAFSA stuff actually was a point in the column of I feel more alive than ever. I feel tired, but I don't feel burnt out by it.

Beth Maglione:

Well, dare I ask, where are you going?

Justin Draeger:

Yeah. I'm headed to Strata Education Foundation. They are a foundation that focuses on all sorts of things. What my role will be as a senior vice president overseeing a new vertical higher ed affordability. They have four verticals, and I'll be building out a team there and working with them on something near and dear to all of our hearts in this profession, which is higher ed affordability. I will not be weighing in on Title IV specific issues, regulations, or legislation. I will really be doing thought leadership around

what's scalable at the local schools, state levels, maybe national level about leveling off costs around college and post-secondary education training and shining a light on things that are working. So I'm not going to be delving into NASFAA's lane, but definitely willing to partner and looking for opportunities to partner with NASFAA and all sorts of different organizations about what we can build and scale together.

So there's lots of times for goodbye. So let's get off me. Let's not talk about me anymore. Beth, let's talk about you for just a second. I've worked with you for a very long time. We've worked together for about 15 years, before I was president even. You've been a vice president at NASFAA since I've been president, so that's 14 years. I know that you have a love and appreciation for the members and our board, and you've worked with the NASFAA staff. I also know a lot about you and your family. I just want to ask, in terms of strategic plans and new operations for NASFAA, should I assume under your interim leadership here NASFAA is going to become a record label? Are we going to start producing-

Beth Maglione:

I can dream.

Justin Draeger:

... producing music?

Beth Maglione:

Yeah. Wouldn't that be great? Hey, I've heard the NASFAA choir sing, so I'm ready to sign that group and get them going on a world tour.

Justin Draeger:

I just know you and your husband, which just to be clear, so people know your husband's name is Justin too. So before any salacious rumors get started and you slip up and say something about Justin, that could be taken the wrong way. I just know you guys have a love of music that I try to match, but I cannot rise to the occasion. But you all have a love of just all genres of music that-

Beth Maglione:

That is true.

Justin Draeger:

... is unparalleled.

Beth Maglione:

Oh, wow. Yeah, I'll take it, sure. I do love it, and so does my husband for sure. Just real quick on that note, I have to laugh because Margot told my favorite Justin mix up story, and I just want to repeat it here.

Justin Draeger:

Margot, on our staff.

Beth Maglione:

Yep. One of our staff members, Margot, has a hilarious story where we were talking about having children, having babies. I said, "Oh, yeah, when I was having my second baby, I wanted it to be a surprise. So the doctor gave the gender of the baby in an envelope to Justin." She did not know that my husband's name was Justin. So she's like, "That is... hmm." So she gave me the weirdest look and was like, "Okay." Then later on, significantly later on, she was like-

Justin Draeger:

I was like, "Hey, Margot, that's what we do around here. Everyone gives me the gender of their babies, and then I show up at delivery and I tell them what the gender will be."

Beth Maglione:

Yeah, I want you to know first, that's for sure, before me.

Justin Draeger:

Yeah, it's not a cult, #NotACult, just a place of business.

Beth Maglione:

Oh, my God. But yeah, I will miss that. I don't know if you'll miss getting my kids' baseball team updates, but I will miss it.

Justin Draeger:

Also, I don't know how, but somehow we share calendars across teams. So this is not on purpose, but I have gotten a lot of emails that were intended for your husband. Then I just started forwarding them to your husband and CCing you and being like, "Hey, Justin, I think this is meant for you. Let me know if you want me to set up a meeting for the three of us." But also then for some reason, I cannot unsubscribe from your calendar, so I literally know what you're doing all weekend long. So if you need an update or you need a new admin, I'm there for you. I know every damn thing you and your kids are doing all weekend long. So just FYI.

Beth Maglione:

I'm glad somebody does.

Justin Draeger:

Well, tell us just briefly a little bit about yourself, very briefly about your career path, and then we got to get onto the FAFSA updates and some new research that Charlotte's just dissected.

Beth Maglione:

Yep. Yep. Well, I've been doing the higher education thing for over 20 years, mostly at NASFAA. For a lot of the past decade I've been right hand to you, Justin, liaison and secretary to the board, been leading a bunch of operational functional areas at NASFAA. I actually started as a reporter at NASFAA many moons ago, which is the same role you started in, right, Justin?

Justin Draeger:

Yeah, Maria.

Beth Maglione:

Maria?

Justin Draeger:

You might want to think about applying for this-

Beth Maglione:

Maria?

Justin Draeger:

... for this presidential surge that's about to start.

Beth Maglione:

It's a fast track.

Justin Draeger:

Yeah. Okay.

Beth Maglione:

Yep. So yeah, I've basically had my fingers in a lot of pots. I've overseen communications, public relations, marketing, community, membership, human resources, finance, even meetings for a time, and I'm really touched and honored to be asked to lead NASFAA through this transition period. I love this association. It's been good to me. It's been good to my family, and I love our members and our staff.

Justin Draeger:

Yeah. Well, we are lucky to have you in a position to step forward and be interim, Beth. I'll just say one of the reasons that made it okay, me feel okay about being able to step away and give what is essentially to the executive committee of our board, our board officers three months notice was I knew we had a very strong executive team and you would be able to step into this role and not miss a beat. You've been in every important decision that we've made over the last 14 years. You've been in every meeting that I've been in as it relates to our strategy and our operations and our financials, and I know we're not going to miss a beat. You've got a really strong staff behind you, so I'm not worried at all.

Beth Maglione:

Absolutely.

Justin Draeger:

Today is not goodbye. I am going to be around and working through the 21st. I will be at our conference in Milwaukee, and I would just say I lean into, I'm going to step out of... I like to joke around a lot, but I'm going to get, just to be sincere for 30 seconds. I'm going to stop short of getting weepy, but I really can't encapsulate 14 years in even 60 minutes. But Milwaukee is going to be our moment to say goodbye, and I'm looking forward and dreading a little bit some of the stuff we're going to do at that conference. But we're going to have an event in Milwaukee where we'll have a chance... For those who

want to come, we're not going to subject people to an entire general session or anything like this. This will be voluntary, but there will be alcohol and there will be food.

Beth Maglione:

Perfect.

Justin Draeger:

Yeah, so there'll be those things, and if people want to come and say goodbye to me and say hello to Beth, there will be that opportunity in Milwaukee. If for some reason people can't... Notes of appreciation to me that include a shared memory, those sorts of things I really treasure. Shared memories are the things that I love the most. So lots of time for goodbye. Let's not do any more of this today.

Charlotte Etier:

Are you going to bring the cardboard cutout, Justin, for photo ops, just out of curiosity, just to maybe move the lines along faster for everyone-

Justin Draeger:

We had a-

Charlotte Etier:

... who wants to get one last picture?

Justin Draeger:

I was so uncomfortable by the year we did the cardboard cutouts, but I also love uncomfortable moments so much.

Charlotte Etier:

I know, that's why I'm asking. Yeah.

Justin Draeger:

Oh, I live for uncomfortable moments. I live for them.

Charlotte Etier:

Yeah.

Justin Draeger:

I'm just not quick enough or smart enough or young enough to remember to pull up my phone and capture them, but they do live on in my brain memory forever. But I've got so much mileage out of those. I have one of those cardboard cutouts at my house still, and we've cut out the eyeballs and we've put-

Charlotte Etier:

Oh, my god.

Justin Draeger:

... strobe lights in the eyeballs. I put them around the house for the kids and their friends when they come over and those things are [inaudible 00:21:00]

Charlotte Etier:

Well, this is my official request. I just feel the lines will get really long and maybe there are those of us who just want a photo and don't need a verbal conversation.

Justin Draeger:

See this where Karen and I, this is where we vibe a little bit because Karen, you say that. Then I turn to Karen and I'm like, "I don't know, maybe, or maybe nobody says anything."

Beth Maglione:

We're going to have to update flat, Justin, I think. We might-

Justin Draeger:

I think [inaudible 00:21:25] both of those scenarios are equally plausible to me. Everybody's like, "No, I don't know. Yeah, he announced it in April. I'm good." So I could see both of those totally plausible. All right, let's move on. Karen, the real reason people tune into this podcast, which is what is going on this week with FAFSA? Did we have a segment for this? There was a snazzy something that somebody came up with one week when I wasn't here.

Karen McCarthy:

Oh, like a name?

Justin Draeger:

Yeah, we had a name-

Karen McCarthy:

Branding for it? I don't know.

Maria Carrasco:

I think it was David Tolman, FAFSA-

Justin Draeger:

Fun with FAFSA.

Maria Carrasco:

Fun with FAFSA.

Justin Draeger:

Yeah. Well, he didn't run that by me, so I think I killed it.

Maria Carrasco:

Nice.

Justin Draeger:

Fun with FAFSA. Go, Karen. What do we got?

Karen McCarthy:

Yeah, is this like a speed round?

Justin Draeger:

No. All right. This is the-

Karen McCarthy:

All right.

Justin Draeger:

This is the real reason people tune in, so I feel like maybe we should spend some time on it.

Karen McCarthy:

I have a little bit lost track of the days 'cause COSUAA, started on Sunday, I feel like earlier this week was a long time ago, and there's been a lot of happenings. But I don't think we have had any big drops of news come out from the Department of Ed. The previous few weeks, we were getting those pretty frequent and regular evening postings of electronic announcements. So we haven't had that as of late. But that doesn't mean that they're not furiously moving forward.

Justin Draeger:

Right.

Karen McCarthy:

One of the big things that people have been asking about that everybody's anxious about are school corrections and when that will come online. Every time I get the chance, which is usually two or three times a week, I will raise the question with FSA if there are any updates on that. There are not any updates in terms of a date when it will become available. But I feel like, I think Justin, you and I talked about this, that the schools pushing for the school corrections from FSA to me is very similar as FSA pushing schools to get aid offers out. Everybody knows what needs to happen. FSA is working on school corrections. They know, urgently pushing forward, they know why schools need it and why it's bad that they don't have it yet. They're working on it.

Justin Draeger:

Let me pause about that for just a second. Okay?

Karen McCarthy:

Yeah.

Justin Draeger:

Because we always knew in the timeline institutional corrections would come at the end of this long list of vital operational things that need to come online-

Karen McCarthy:
Right.

Justin Draeger:
... but we never had an exact timeline. We still don't today.

Karen McCarthy:
Yeah.

Justin Draeger:
Can we talk for just a second? So student and parent corrections are online, but without institutional corrections, what are the major obstacles? Because it's now soon going to be May. Okay. This is the major, I don't know, maria, do we have a sound effect? Insert sound effect here, the alarm bells, this is the huge caveat. I don't know. You find the sound effect. Yeah, I am not predicting, but let's say institutional corrections don't come online until the end of May or God help us, June 1 or something. What would be the catastrophic impact of that, Karen, or what would be the impact?

Karen McCarthy:
Yeah, I think that-

Justin Draeger:
Students who need PJs, you can't do that-

Karen McCarthy:
Yeah.

Justin Draeger:
... for a student correction.

Karen McCarthy:
Yeah. You think about people by definition who need PJs have some kind of special or unusual circumstance that the school wants to be able to take into account, may have already reviewed all the documentation that a student submitted, but may have even run the formula on their end, but they can't actually submit it through the FPS system.

Justin Draeger:
Okay. So dependency override PJS

Karen McCarthy:
Yeah, dependency overrides, yeah.

Justin Draeger:

Is there no way to work around this if the department said you'll just have to do it retroactively when the system catches up, can the school do anything on their end to just circumvent? Can they calculate the aid in their own software?

Karen McCarthy:

I think-

Justin Draeger:

I guess I'm just wondering what workarounds there could be.

Karen McCarthy:

Yeah, I think some schools could do that. I'm not sure about all of them. Always the questions about what the software systems can do, I'm always thinking about, "Well, there are some schools that have a homegrown system. I don't know if they would have those same capabilities at all."

Charlotte Etier:

I was just going to say, Karen, I feel like in the interviews that I did for our research this week, I did hear a few members saying that they were doing their own calculations for now to give estimates and things along those lines.

Karen McCarthy:

Yeah. Yeah, I know that schools can make changes to data elements, rerun the SAI and see it on their side, but can't push that through the FPS, the corrections and all of that on that end. So they wouldn't be able to make any disbursements until it goes all the way through, but I think they would have an idea for purposes. If they do have that functionality available, they could perhaps make a provisional aid offer if they needed to in the meantime.

Justin Draeger:

So at the graduate level, you don't have dependency overrides.

Karen McCarthy:

Right.

Justin Draeger:

Do you have PJs in as great a numbers as you would at the undergraduate level?

Karen McCarthy:

On the graduate side, I feel like their PJs are more on the side of-

Justin Draeger:

COA.

Karen McCarthy:

... increase to COA, yeah.

Justin Draeger:

Okay. So I guess at the undergraduate level, this is going to be a bigger issue, although I know our graduate schools won't hesitate to tell us if I'm wrong. But at the undergraduate level, this is going to be a bigger deal for getting notifications out to students is one big thing. But then for disbursements, we're talking about summers as a header.

Karen McCarthy:

Yeah, I was going to say the header schools, if they wanted to disburse any '24-'25 aid, particularly to undergraduates, the graduates have their own issues. But yeah, as you mentioned, the corrections on the graduate side, there's just not a lot of... You're mostly talking about loans at that point anyway, so not a lot of impact on the absence of corrections for the graduate schools for '24.

Justin Draeger:

Okay. Because today's April 25th, what would be helpful from the department, is again, straight talk express here, when will we get institutional corrections by your best estimate? Because if it's May 15th or first half of May, if we're going to use the department language, then that's one set of circumstances or planning a school can do. If it's June 1st, I imagine that schools would take another set of perhaps actions.

Karen McCarthy:

Yeah. Does this feel like déjà vu?

Justin Draeger:

Yes, well, every week feels like déjà vu.

Karen McCarthy:

Just the whole-

Justin Draeger:

Yes.

Karen McCarthy:

We need to know the plan, if you can give us an estimate because dates matter and schools need to have discussions internally to make their plans. Yeah, we've had this conversation a lot.

Justin Draeger:

Okay.

Karen McCarthy:

Yeah.

Justin Draeger:

Well, I guess I'm getting a little worried about the backlog here on functionality. We talked last week, we're seeing light at the end of the tunnel, but the institutional corrections thing, I'm starting to hear this vocal increase from members about institutional corrections. I'm becoming increasingly concerned that it's going to be pushed off, not making a prediction but pushed off till the end of May or June. It would be helpful to have some dates from the department on this because schools could be doing something else in the interim if they knew that.

Karen McCarthy:

Yes.

Justin Draeger:

Okay. What else? What else do we need to know about FAFSA this week?

Karen McCarthy:

We've heard continued issues about contributors without Social Security numbers in terms of getting through the verification processes, both the first step, the automated and then the manual for those who don't get through that first step. I mention it because the last official announcement from the department is that all of those issues have been resolved, and they have devoted additional resources to help get through the backlog for the folks who do need to submit documents manually. But there are still reports of challenges that people are facing, and the department is aware of those, and they did say they're investigating what their options are moving forward. There are no updates to their issues alert page in this area. So I just didn't want people to feel like their concerns that they've been voicing are falling on deaf ears, that the department has been hearing that there are still issues in this area, and they are exploring their options.

Justin Draeger:

Okay, got it.

Karen McCarthy:

The other thing is that over the last week or so, the department has started various email campaigns around the FAFSA and FAFSA filers that are in various situations. So they specifically have reached out, now that student corrections are available, to everybody who had what we call a rejected FAFSA on file to let them know that student corrections are available and instructions on how the applicant can go in to resolve their information. I think we talked in a previous podcast about one of the big reasons for rejected FAFSA is a lack of signature consent, which is pretty easy to resolve, but obviously couldn't be resolved until student corrections are available. So now that they are, they're doing this proactive outreach via email to let people know that they can go in and fix those errors to get those ISIRs processed and pushed out to schools. They are also doing their more normal typical renewal FAFSA email campaign that they do every year where they email all of the applicants who filed a FAFSA in the previous year, but do not have a FAFSA on file for the upcoming year.

So in a normal year they do this around January-ish, this year, wanted to make sure that things were in a better place before they started encouraging more FAFSA completions. So they did start that renewal email campaign as well. They have not started this yet because the recording on this is a little bit tricky, but they are working on an email campaign, going out to applicants who may qualify for provisional independent status and this category, the question on the FAFSA also includes people who consider themselves homeless, but they do not have a determination from one of the allowable entities. So they

may need the financial aid administrator to make that determination. So it's multiple groups of people who are in that category. So the wording is a little complicated because you have people in different situations all getting the same email. So you need to say, "If this, then do this, and if that, then this is going to happen." So they're fine-tuning the wording on what that email campaign and that wording will say. They did-

Justin Draeger:

But what do they want them to do. The emails-

Karen McCarthy:

Yeah.

Justin Draeger:

... are going to them and ask them to do what?

Karen McCarthy:

In some-

Justin Draeger:

Because schools can't do anything with it.

Karen McCarthy:

I know I did point this out. In some cases, somebody may have made an error and they can go in and fix their error.

Justin Draeger:

Okay.

Karen McCarthy:

"Oh, no, I didn't mean to indicate that I have special circumstances. How do I fix that?" Then you can go in and fix that on your own.

Justin Draeger:

Okay.

Karen McCarthy:

It may be that somebody who is homeless when they get this email and the email says, "You indicated that nobody has made a determination that you are yet homeless and you need the financial aid administrator to do that." A person may say, "Oh, actually, yeah, when I was in high school, this party did it." They can go in and just change their answer and say, "I have a determination," and then move through in that way. On the other side, though, the institution will be reaching out to these applicants to tell them what they need to do and then all of that information can go back to the school. But since we don't have school corrections, the whole process can't go all the way through.

I think it's more about giving the applicants a heads-up of what they can do on their own if they can. If they can't, then their institution will be reaching out to them to let them know what the next steps are. With all of these email campaigns, all of them are new this year, except for the renewal campaign. Everybody is familiar with that, and that's pretty generic. But the others are all around issues that people are having. Either their FAFSA was rejected for some reason they indicated, they wanted to apply for unsubsidized only, any of those. We have asked the department to share with us and the community the texts of those emails for no other reason than it is helpful for schools to know what the department is sending to applicants. Because what happens is applicants get those emails and then they call the school and they say-

Justin Draeger:

Right.

Karen McCarthy:

... "I got this email, and it doesn't make sense and I don't know what it means. What do I do?" Actually, when I was at COSUAA, I felt a little vindication, I will say, because I've been asking for these and asking for these, and I haven't seen any email texts. They had, "Yes, yes, yes, we understand you would like to see that," and haven't been successful so far in seeing them. But another member raised to FSA, "Hey, could we see copies of those emails? Because all these people come and ask us about the email that they just got." Melanie Storey from FSA did laugh and I heard her say, "Yes, NASFAA's been asking for that for all of you." I was like, "Oh, thank gosh."

Justin Draeger:

Vindicated.

Karen McCarthy:

I was. I was like, "See? See?" I don't know if we'll get it, but we do know that it would be super helpful for schools to have those emails just for a reference as they get those phone calls.

Justin Draeger:

Okay, very helpful, Karen. Thanks for running down all of the FAFSA updates that continue to change from week to week. Schools obviously should stay in touch with us and let us know if they have questions and comments, and we'll continue to stay on top of all of these updates. Charlotte, let's bring you in, our director of research. You have been doing some work in partnership with the Department of Education and the White House trying to gather a week-by-week benchmark about where schools are at on sending out their aid offers. Let's look at our latest data set, and then you've also been following up with some one-on-one interviews with schools as well. So give us a high level of where we're at this week.

Charlotte Etier:

Yeah, it's been super busy, but great. I love to do this kind of work that obviously directly benefits our members and helps NASFAA's larger policy and advocacy work. So I looked at last week's poll and this week's poll and just pulled out some things that seem interesting to me and that I think would seem interesting to our members. So again, we've been watching packaging trends. What are schools doing? How is that looking? So last week, about 34% had already sent out aid offers. This week, I saw that it's getting a little closer to half of respondents are sending out aid offers. I see the biggest increase with the

four-year public institutions, our grad profs had a pretty decent jump in that area too of sending out aid offers, but we still coming up this week have a little less than half that haven't begun packaging aid offers yet either. So we are still split in that way I would flag.

Then new this week, we added some questions on origination, so we asked institutions when they would begin, so first start originating for '23-'24 and then when they planned to do it for '24-'25. We did see timelines for pushed back, right? No surprise to any of us. So last year most of the respondents said they seemed to cluster around like mid-April, early May. Then there was another clustering of beginning around early July, and I broke this out by sector in the report so you can see what the different sectors are doing. But then when we look at what they're going to be doing for this year, the first big clustering really doesn't start until early June, and then there's another big cluster. Our last choice was August or later, so another big clustering on August or later. So that's the first time we've asked that question. I think we'll ask it again in the poll in this upcoming week, but definitely seeing a shift back of origination plans to start.

Then the other big question, which I think is probably the most interesting piece of this week's poll that we asked was around FAFSA submissions by admitted first-year undergrads, super laser focused, very specific population there. So what we really saw overall was that for '23, '24, about 2/3 of our members told us that they had zero to 25% of their admitted first-year undergrads who had not submitted, so very small population that had not submitted. But when we asked them about this year, half of our respondents were up to a quarter to half of their first-year undergrads that had not submitted. Then about 1/3 of them were all the way up to half to three quarters had not submitted. We do some sector breakouts as well. Again, as you might assume, the four-year public institutions and our private non-for-profit institutions are seeing the highest percentage of non-submitters.

Justin Draeger:

Let me ask a question about that. So they have a bunch of admitted students, more of them have not filled out the FAFSA this year than last year?

Charlotte Etier:

That's what our numbers are saying, yeah.

Justin Draeger:

Yep, and maybe that's not a surprise given all the FAFSA glitches. But I'm also wondering whether that means that those who have been admitted are sitting on the sidelines waiting to fill out a FAFSA or whether those who have applied and have been admitted have figured out how to pay for college, and those who have not applied and have not been admitted just aren't going this year, if what we've been worried about is those who need financial aid are the ones who are just sitting out.

Charlotte Etier:

Well, cue our next body of research then, thank you for teeing that up so nicely, Justin. So we've also spent some time this week doing one-on-one interviews with about 12 different member institutions. We had half four-year private, half four-year public to really get at this. We asked them, "Are you reaching out to these students?" Not surprising, they are. They are a lot. They are really working hard to reach out to these students. Most of them are doing it through or in partnership with their admissions office. So at least one of the things I learned, which makes sense once I learned it, but the aid office doesn't necessarily have the contact information for the student or doesn't create a record for them

until they complete a FAFSA in most instances, so that contact information lives at the admissions office. But everyone felt good.

They were reaching out, multiple email campaigns, multiple text messages, some of the smaller institutions, like one-on-one phone calls with the students that were admitted first-year undergrads, but had not applied. But when we asked, "What are you hearing? Why are they saying they're not applying?" Just the overwhelming majority are just not getting anything back from these students. They're not hearing back from the students at all, which is concerning. The concern is that they've become disengaged, become maybe less interested in attending higher education. A few institutions did hear back. They heard a lot about the students whose parents, a parent didn't have a Social Security number. That's been a huge difficulty for those first-year students to apply. We heard a few say that the student perhaps only listed one institution on their FAFSA just to get it done when it came available, and then until they could make corrections, they couldn't go back and add the other institutions. So that was another piece that we heard from students.

We heard a lot that the students were saying, "I keep seeing in the media that the FAFSA's broken that it's not working, so I'm just not going to do it. I'm going to wait." The concern is obviously that the longer they wait, the less likely they are to do it. Then as much as I hate to hear this, we heard some as well of students just saying, "It's just too late. I'm going to take a gap year. I'm not going to go next year," or perhaps, "I'm going to go to a lesser expensive institution that I can afford out of pocket, so not a four-year institution, perhaps a two-year institution where I know I can either pay or I know I can just file my FAFSA right before I go."

Justin Draeger:

So a couple reactions there. We have a saying that goes back a long ways in our profession, which is aid delayed, aid denied, or aid delayed access denied, I think is more accurate. The idea being is that anytime... and this is true in the business world too, is, time kills deals. It's the same as true for students. If you introduce significant time into any decision making, if you delay the timeframe that it takes for people to make really big decisions, it tends to drag down the odds of closing that sort of deal. For a student who's trying to make a decision, if they don't have financial aid information, how are they going to pay for it? You start to see this, and this is out in the numbers and in the interviews you're conducting. Also, there's nothing inherently wrong for students making the decision to make a more affordable choice to go to a two-year school.

Charlotte Etier:

Right.

Justin Draeger:

I say that unequivocally, but the point is that they're not making the decision based on all the information on the table. That's where there's a problem, because it could be just as affordable for them to go to a four-year quality public or private school, but they are automatically driven towards one choice because they didn't have all the information in a timely way. That's where we start running into issues or challenges. So Charlotte, this is really valuable. We're going to be publishing this in Today's News when?

Charlotte Etier:

The poll results go out tomorrow, but I think that that other report probably early next week would be my guess, just so we can tidy it up. I will just say I found two more things interesting, if I can. So we also

asked if there were any software updates from the BAM systems that were holding any of our members back, and I think I had representation from almost every different system that I know of, and everyone had great things to say about the software providers. No one felt like that was what was holding them back. So I think that that is at least worth saying. That was good to hear.

Then the other two things that our policy analyst Jill and I flagged and we find interesting for, I'm trying to think of how you said it before, Justin, not a prediction, not a hope, just a prediction, however that phrase you said was. But I had some institutions that flagged for me that they are actually seeing lower filing rates amongst their returning students and their grad prof students than they are for these first-year FAFSA filers. So they are just concerned that these other two populations are not quite being looked at yet, but they're much larger populations for them. So they think that that might be the next thing that we're trying to figure out. So I think that's at least worth thinking about. Yeah.

Justin Draeger:

Keeping our fingers on the pulse.

Charlotte Etier:

Yeah, but the members were all great, super great to chat with them. Everyone participated and gave a lot of really helpful feedback.

Justin Draeger:

All right, thanks very much, Charlotte. Look for those results in Today's News on Friday and then the deep dives with the interviews early next week. Thank you, Charlotte. Thanks, Karen. Thanks to Beth for joining, and thanks to Maria for producing this week. A big thank you to all of you who have found time to send notes of congratulations, and thanks and for this last week with all of the big news and transition. Again, I'm going to be here for another couple months, and we'll continue to talk. I hope I'll get to see many of you in Milwaukee this June at our national meeting. Remember to subscribe, remember to tell a friend. We will see you all again very soon.