

# BETTER FAFSA

## KEY TERMS



<b>Contributor:</b>	Any individual required to provide consent and approval for federal tax information (FTI) along with their signature on the FAFSA® form, including a) the student; b) the student's spouse; c) a biological or adoptive parent; or d) the spouse (stepparent) of the custodial parent .
<b>Family Size:</b>	It captures the appropriate number of family members and dependents in the applicant's household. Replaces the term "household size" on the FAFSA form.
<b>Federal Student Aid ID (FSA ID):</b>	The username and password used to log in to all Federal Student Aid (FSA) products and tools on the FSA Homepage ( <a href="https://studentaid.gov/">https://studentaid.gov/</a> ) .
<b>Federal Tax Information (FTI):</b>	Is the data and information related to federal tax paying. It includes a return or return information received directly from the IRS or obtained through an authorized secondary source such as the U.S. Department of Education pursuant to 26 U.S.C. 6103(I)(13). FTI also includes any information created by the recipient that is derived from a federal return or return information received from the IRS.
<b>Free Application for Federal Student Aid (FAFSA) FTI Approval:</b>	Formal mandatory annual approval granted by an applicant and any applicable contributors for a given FAFSA cycle (e.g., December 2023 to September 2025 for the 2024-25 FAFSA form) to retrieve and use FTI to determine an applicant's federal financial aid eligibility as well as permit the redisclosure of FTI by the Department to a) an eligible institution; b) state higher education agency; or c) a designated scholarship organization for the application, award, and administration of student aid programs. If FAFSA FTI approval is not provided, the student will not be eligible for any Title IV aid until the approval is provided by each contributor.
<b>FAFSA Privacy Act Consent:</b>	A formal consent provided by an applicant and any applicable contributor(s) for a given FAFSA cycle (e.g., December 2023 to September 2025 for the 2024-25 FAFSA form) that meets the statutory requirements of collecting and using an individual's personally-identifiably information (PII) under the Privacy Act, as amended (5 U.S.C. § 552a). PII provided on the FAFSA (e.g., name, date of birth, social security number) with consent of the individual, will be provided to the IRS to conduct a match in order for the Department to receive FTI for purposes of determining an applicant's federal financial aid eligibility and permit further redisclosure of FTI by the Department. (For more information, see FAFSA FTI Approval above.)
<b>FAFSA Submission Summary:</b>	A summary of data input on the FAFSA form that replaces the Student Aid Report (SAR) as the student's output document

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<b>FUTURE Act Direct Data Exchange (FA-DDX)</b>	The system replacing the IRS Data Retrieval Tool (DRT) to transfer an individual's FTI to the Department of Education (ED). FA-DDX allows ED to request, and the IRS to transfer, FTI to the FTIM system for use in determining a student's federal financial aid eligibility.
<b>Negative Student Aid Index (Negative SAI):</b>	The Student Aid Index (SAI) can be a negative number (down to -1500) which can be used by institutions in determining students who have the most financial need. When financial aid administrators package students for Title IV need-based aid, a negative SAI is converted to a 0 SAI in the packaging formula. (For more information, see Student Aid Index (SAI) definition below)
<b>Primary or Custodial Parent:</b>	For a dependent student whose parents are divorced or separated, the primary or custodial parent is the parent who provides the greater portion of the student's financial support and is required to provide their information. In cases where the custodial parent is remarried, the stepparent's information is also required to complete the FAFSA form.
<b>Provisionally Independent Student:</b>	If a student indicates they a) have unusual circumstances; b) are unaccompanied and homeless; or c) at risk of being homeless (without a designation from a specified entity), the Federal Processing System (FPS) will consider the student to be provisionally independent and will allow them to fill out the FAFSA form as an independent student. The SAI will remain provisional and not official until the student's college or career school makes a final determination. The Institutional Student Information Record (ISIR) will have a specific reject code that will require the financial aid administrator (FAA) to review, and if applicable, confirm the student's independent status. The FAA will determine if the student's circumstances make them eligible to apply independently and, if so, make any necessary updates to formally make the student independent.
<b>Special Circumstances:</b>	Special or extenuating situations (such as the loss of a job) that impact a student's financial condition and support a financial aid administrator adjusting data elements in the Cost of Attendance (COA) or in the SAI calculation on a case-by-case basis.
<b>Student Aid Index (SAI):</b>	A formal evaluation of a student's approximate financial resources to contribute toward their postsecondary education for a specific award year. Replaces the Expected Family Contribution (EFC).
<b>Unusual Circumstances:</b>	Conditions that justify a financial aid administrator adjusting a student's dependency status, commonly referred to as a dependency override, based on an unusual situation (e.g., human trafficking, homelessness, parental abandonment, etc.).

