



SPECIAL ALERT

STATE OF
CALIFORNIA



Update from the California Student Aid Commission

January 31, 2024

GSA 2024-10

TO: High School Counselors
Financial Aid Administrators

FROM: Tae Kang *Tae Kang*
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SUBJECT: **2024-25 Better FAFSA Better CADAA Update**

This Special Alert from the California Student Aid Commission (Commission) communicates updates to the 2024-25 Free Application for Federal Student Aid (FAFSA) and the California Dream Act Application (CADAA) since their release in late December 2023.

2024-25 FAFSA Updates

Although many students have been able to successfully complete their 2024-25 FAFSA, there have been several issues identified during the soft launch period that Federal Student Aid (FSA) is monitoring and working to address.

- To access the latest information from FSA on the open issues and workarounds, bookmark the [2024-25 FAFSA Issue Alerts](#) page.
- Parents/FAFSA contributors without social security numbers are facing several obstacles in creating a StudentAid.gov account to access and sign the online FAFSA form.
 - The Commission is currently researching the best guidance and exploring options to help students and their families navigate these system hurdles and will provide additional information in future communications.

Updated Guidance on Free and Reduced Lunch Question

In the fall of 2023, the Commission was advised by several national agencies and federal contacts that students who receive a free school lunch from a universal program provided by a district, city, or state would be allowed to report that on the 2024-25 FAFSA or CADAA and their family would be exempt from reporting assets. However, the 2024-25 Federal Student Aid (FSA) Handbook released in January 2024, provides the following guidance on this question:

“Some individuals may receive free or reduced-price school lunch due to community eligibility rather than household eligibility. Students should only indicate they received free or reduced-price school lunch on the FAFSA

form if they meet the income eligibility guidelines published by the U.S. Department of Agriculture.”

- The Commission is aligning with the guidance provided through the 2024-25 FSA Handbook and is currently updating its outreach and training materials to reflect this change. Students completing the 2024-25 CADAA should follow this same guidance. Updates will be made to the help text within the online CADAA.

2024-25 ISIR and Cal ISIR Update

FSA announced on January 23, 2024, that they intend to update the tables used to protect an amount of a family’s income and assets used in the calculation of the Student Aid Index (SAI) by inflation-adjusted amounts. On January 30, 2024, FSA released the final draft of the SAI and Pell Grant eligibility guides with the updated tables that accounted for inflation. As a result of the table updates, FSA will further delay the release of the Institutional Student Information Records (ISIR) to state agencies and colleges until the first half of March. To view the entire FSA announcement with more details on the impacted timeline, please refer to this link: [FSA Electronic Announcement](#).

The 2024-25 CADAA opened on December 31, 2023, and the Commission has received over 5,300 successful applications since then. Another 3,300 applicants have started the CADAA but have yet to complete and submit the application. The CADAA was enhanced this year to not only align to the Better FAFSA changes, but significant updates including the AB540 affidavit, simplified parent signature process and reducing the number of verifications were added. As the Better FAFSA transitioned from the Expected Family Contribution to SAI measure, the CADAA also made the conversion to SAI. With the recent updates to the SAI tables, it is necessary that the same SAI updates are made to the CADAA. The Commission will also correct all the SAI values for all CADAA applicants that have applied prior to the table updates. More detailed information and instructions will follow through a separate Operations Memo once the SAI updates are ready.

Consequently, the Cal ISIRs will be delayed as the Commission revises the SAI tables and corrects CADAA records. We are estimating the availability of Cal ISIRs to colleges and universities around the late February timeframe.

We appreciate your patience and cooperation as we all navigate through the various changes, delays and impacts in this 2024-25 processing year.

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