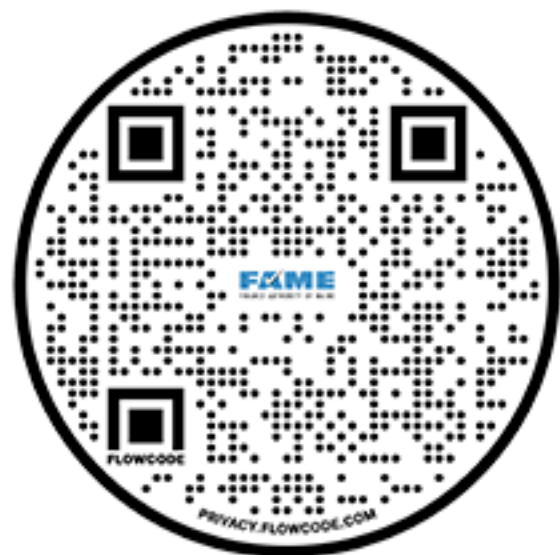


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The Student Aid Index (SAI) Calculation

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The Student Aid Index (SAI)

- The **Student Aid Index (SAI)** replaced the Expected Family Contribution (EFC).
- The methodology and formula used to calculate the SAI was updated last year and again this year.
- The SAI is determined by information provided on the FAFSA.
- There is a **parent** contribution and a **student** contribution which are combined.
- A student's **“need”** is determined by subtracting the SAI from the student's cost of attendance (COA).



Examples of How Need is Determined

	Low-Cost School SAI = \$3,000	Mid-Cost School SAI = \$3,000	High-Cost School SAI = \$3,000
Annual Cost of Attendance	\$ 12,600	\$ 27,500	\$ 70,000
- SAI	\$ 3,000	\$ 3,000	\$ 3,000
= NEED	\$ 9,600	\$ 24,500	\$ 68,000

FORMULA: COA – SAI = NEED



- The SAI must be used to determine eligibility for the following federal programs:
 - **Pell Grants** (unless student is eligible for a maximum Pell Grant or larger minimum Pell than calculated based on SAI)
 - **Subsidized Stafford Loans**
 - “Campus-based” aid programs:
 - **Supplemental Educational Opportunity Grant (SEOG)**
 - **Work-Study**
- Many schools also used the SAI to determine eligibility for their need-based institutional aid



Three SAI Formulas

- There are three SAI formulas:
 - Formula A – Dependent Students
 - Formula B – Independent Students without Dependent(s) (Other than a Spouse)
 - Formula C – Independent Students with Dependent(s) Other than a Spouse
- **Today's focus is on dependent students**, but the concepts are similar for independent students.



Assets and the SAI

Assets are excluded for dependent students when:

- The applicant qualifies for a **Maximum Pell Grant**.
 - [FAMEmaine.com/wp-content/uploads/2025/02/Revised-Pell-Tables.pdf](https://famemaine.com/wp-content/uploads/2025/02/Revised-Pell-Tables.pdf)
 - For example, a married, family of four is eligible for a Max Pell if AGI is less than \$54,600; single family of four is AGI less than \$70,200.
- The applicant's parents' 2023 combined AGI is less than **\$60,000** and they did not file a Schedule A, B, D, E, F, or H, **AND**
 - They did not file a Schedule C, OR
 - They filed a Schedule C with net business income that is less than or equal to \$10,000 AND greater than or equal to -\$10,000.
- The applicant or applicant's parent received a benefit under a **means-tested** Federal benefit program during the 2023 or 2024 calendar year.



Let's Get Started

- Family of Four:
 - Mom (age 46), Dad (age 46), Max (age 17), Chris (age 13)
- Mom and Dad's Financial Information:
 - Filed taxes and earned = **\$95,000**
 - No other income additions or offsets
 - Federal income taxes paid = \$9,520
 - Assets = \$0
- Max's Financial Information
 - Filed taxes and earned **\$8,000**
 - No other income additions or offsets
 - Federal taxes paid = \$0
 - Assets = \$0



Tables for Calculations

Other information will come from the following tables:

- Table 1A (page 10): Payroll Tax Allowance
- Table 2A (page 11): Income Protection Allowance
- Table A4 (page 11): Asset Protection Allowance (parents only)
- Table A5 (page 12): Contribution from Adjusted Available Income (parent only)



Handouts

Refer to your handouts!



Impact of Higher AGIs

Comparing **Parent** Contributions from Income (AGI):

\$ 60,000: 655 SAI

\$ 80,000: 4,190 (\$20,000 more in AGI increases SAI by 3,535)

\$100,000: 7,978 (\$20,000 more in AGI increases SAI by 3,788)

\$120,000: 14,893 (\$20,000 more in AGI increase SAI by 6,915)

\$140,000: 22,427 (\$20,000 more in AGI increases SAI by 7,534)

Parent income is the driving force of the SAI for most families. The higher the earning the larger portion assumed available to help pay for higher education.



Comparing the SAI to EFC

- Let's Compare the **SAI to the EFC** Formula (\$95,000 income w/ SAI of **6,834**)
- Highlighted Differences
 - Untaxed income
 - State tax allowance
 - Income and asset protection allowances
 - Parent EFC divided by number in college
 - Negative student contribution from income (only for 24-25)
- SAI for 24-25 in same scenario = **5,858**
- EFC for 23-24 in same scenario = **9,502**

Now let's shift gears and focus on the **impact of assets**.

- Basic information
 - Family of four
 - Parent income = \$95,000
 - Student income = \$8,000
 - Assets for parent and students = \$0
- Student Aid Index calculation
 - Parent contribution = 6,834
 - Student contribution from income = 0
 - Student contribution from assets = 0
- SAI = **6,834**



Impact of Assets

Comparing **Parent** Contributions from **Assets**:

\$ 0 in assets – 6,834

\$10,000 in assets – 7,182 (348 increase in SAI)

\$25,000 in assets – 7,727 (893 increase in SAI)

\$50,000 in assets – 8,743 (1,909 increase in SAI)

SAIs do increase but in relatively small amounts. These small increases typically have little impact on financial aid eligibility. Having savings can have a significantly impact the ability to pay for higher education.



Comparing **Student** Contribution from **Assets**

\$ 0 in assets – 0

\$ 3,000 in assets – 600 increase in SAI

\$ 5,000 in assets – 1,000 increase in SAI

\$10,000 in assets – 2,000 increase in SAI

Keep in mind, 529s and Coverdells are counted as a parent asset and the only amount included in the parent section is the value for the student on the FAFSA (not siblings).

In this scenario, **\$10,000** in **parent assets** only increases the SAI by **348** as compared to **student assets** increasing the SAI by **2,000**.



Few Other Tidbits

Couple final pieces of information:

- No “parent income cutoff” in terms of Pell Grant eligibility.
 - Families of four earning **under \$54,600** are likely eligible for a maximum Pell Grant.
 - Families of four earning **under \$85,800** are likely eligible for a minimum Pell Grant.
- For students, once they earn over **~ 12,000** the contribution from income will be above 0.

In conclusion:

- Parent income has more impact than student income
- Student assets have more impact than parent assets



FAFSA Resources – Educators page - (FAMEmaine.com/educators)

- Federal Student Aid Estimator
- Pell Grant Lookup Tables
- FAFSA Prototype
.....and more!

FAFSA Resources

[Promote FAFSA Completion in Your School](#)

Hang a [FAFSA poster](#) in your school or post it to your website.

Mail, hand out, or electronically send [postcards](#) to students.

[Download our Word doc of sample scripts](#) to use when calling, emailing, or texting families, or to make a PA announcement during school.

[Federal Student Aid Estimator](#)

This tool provides an estimate of the 2025-2026 Student Aid Index (SAI) and federal Pell Grant eligibility.

[Determine Pell Grant Eligibility with Lookup Tables](#)

Eligibility for a maximum or minimum Pell Grant can now be determined before the FAFSA is filed. Use Pell Grant look-up tables for the 2026-27 academic year to learn more.

[Track Your Students FAFSA Filing with FAME's FAFSA Portal](#)

FAME's FAFSA Portal allows eligible high school counselors to access the FAFSA completion status for each of their high school seniors and identify which filers have been selected for verification. For more information, please contact [Mila Tappan](#).

[Download our Word doc of sample scripts](#) to use when doing FAFSA follow-up with your students. (Also available in [PDF format](#).)

[FAFSA Prototype](#)

Federal Student Aid's FAFSA prototype provides the opportunity to explore the 2025-2026 FAFSA ahead of its release. Enter access code **prototype2526** when prompted.

[Ten Important Changes in the "Better" FAFSA](#)

Wondering what changes came with the "Better" FAFSA? We've outlined our top ten.

[FAFSA Completion Rates by High School](#)

View FAFSA completion rates by high school and the statewide average. Updated monthly from January through August.

[2025-26 FAFSA Screenshots](#)

This presentation provides counselors, advisors, and financial aid professionals with screenshots of the 2025-26 FAFSA.

[Better FAFSA Glossary](#)

Learn the lingo of Better FAFSA! Check out our FAFSA glossary to find the new names for old, familiar terms as well as definitions for new terms introduced with the 2024-2025 FAFSA.



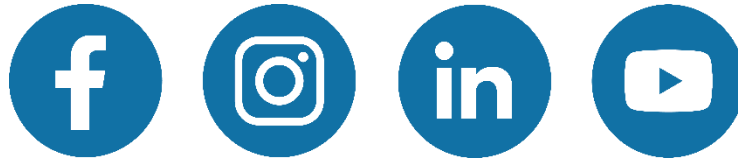
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