



Illinois Wesleyan University Magazine, 2002-2017

Volume 25
Issue 4 v.25,no.4:Winter 2016-17

Article 5

Winter 2016

Financial Aid Reformer

Amelia Benner '09

Illinois Wesleyan University, iwumag@iwu.edu

Tim Obermiller

Illinois Wesleyan University, iwumag@iwu.edu

Follow this and additional works at: <https://digitalcommons.iwu.edu/iwumag>

Recommended Citation

Benner '09, Amelia and Obermiller, Tim (2016) "Financial Aid Reformer," *Illinois Wesleyan University Magazine, 2002-2017*: Vol. 25 : Iss. 4 , Article 5.

Available at: <https://digitalcommons.iwu.edu/iwumag/vol25/iss4/5>

This is a PDF version of an article that originally appeared in the printed Illinois Wesleyan University Magazine, a quarterly periodical published by Illinois Wesleyan University. For more information, please contact iwumag@iwu.edu.

©Copyright is owned by the University and/or the author of this document.

Financial Aid Reformer

In making the federal form for grants and loans easier to file, Ed Pacchetti '91 gives students better access to aid they need to achieve their college dreams.

Story by AMELIA BENNER '09 & TIM OBERMILLER

Early into his career at the U.S. Department of Education, Ed Pacchetti '91 sat down with first-generation college students from across the country to ask what factors made a difference in their decision to pursue higher education.

“It was always, without fail, that somebody in their life told them that they could do it, and should do it,” he says.

It was the same for Pacchetti. As a first-generation college student hailing from Coal City, Ill., both his parents encouraged him to further his education. But it was his mother who took care of the practicalities — including filing for financial aid. “She sat me down one day and said, ‘We’re going to fill out these forms,’” he remembers.

Since 1992, the Free Application for Federal Student Aid, better known by its acronym, FAFSA, has been among those forms, filled out each year by millions of college-bound students.

In his current role as director of Customer Analytics at Federal Student Aid (an office within the U.S. Department of

Education), Pacchetti has successfully pushed to improve the FAFSA, making it easier for some 12 million students to apply for \$129 billion in loans, grants and work-study slots awarded each year by the federal government.

In 2015, Pacchetti proposed major FAFSA reforms that earned enthusiastic bipartisan support and were adopted by the Obama administration in 2015. Going into effect last year, the revisions received positive reviews from the media as well as students and parents.

Among the biggest changes: FAFSA forms can now be submitted three months earlier, in October instead of January.

“This gives students and families an additional three months to know how much aid they’re going to get as they search for schools,” Pacchetti says. The change is especially impactful to low-income students who may have previously declined to apply for college enrollment because they were not sure they would be able to afford it, he explains.

Another reform allows students to use “prior-prior year,” or “PPY,” tax information: family tax data that’s a year older than what’s been permitted in the past. Students applying for college in the fall of 2017 could submit their family’s 2015 taxes, instead of not-yet-final 2016 tax figures which, in the past, would have to be submitted by families at a later date. The change also allows families to make better use of the FAFSA’s data-retrieval tool, which automatically imports 2015 Internal Revenue Service records into the federal-aid application.



Pacchetti's college dream to work in D.C. led to a rewarding career. While expecting changes under new leadership in Washington, he believes that FAFSA reform, with its emphasis on efficiency and accessibility, will pass scrutiny.



At the American Enterprise Institute, Pacchetti was on a panel exploring innovations in financial aid.

The challenges to making college more affordable are complex, says Pacchetti, but improving the FAFSA is at least one clear step toward helping address the problem. Many students are leaving money on the table — especially those who need it most. A 2016 NerdWallet study found that students who were eligible for financial assistance missed out on \$2.7 billion in free federal Pell grants by not completing the application. Surveys conducted by Pacchetti’s Customer Analytics team showed that students and families who did not apply found the FAFSA hard to complete or even access. Some students also said they believed they wouldn’t qualify anyway, so there was no point to filing — although, contrary to popular belief, there is no income cut-off for federal student aid.

In fact, the form takes, on average, 35 minutes to complete, and there is help provided throughout the application. But Pacchetti understands why those filling out the form can find it difficult or confusing and believes more can be done to simplify the FAFSA even beyond the reforms instituted in 2016.

Pacchetti researched ways to improve the FAFSA during his recent fellowship at the Bill & Melinda Gates Foundation, funded as part of the foundation’s efforts to expand educational opportunities. He was first contacted about the fellowship by a former coworker who had joined the Gates Foundation. He believes he’s the first federal employee to receive such a fellowship, which he served from June 2014 to October 2015.

As a fellow, Pacchetti developed a blueprint to reform the FAFSA and also identified best practices to simplify financial-aid processes across all segments of postsecondary education. Another specific focus was to identify bottlenecks in the financial-aid process, ones “that may prevent low-income students from fully recognizing all of the benefits of financial aid, especially in regard to college access, persistence and completion,” he says.

Pacchetti presented his ideas to Gates himself. “Briefing Bill Gates is intimidating,” he says, noting that Gate’s first question referred to a particular study cited in Pacchetti’s presentation — demonstrating that the Microsoft founder had thoroughly read his report.

After returning to his federal job, Pacchetti was given responsibility for overseeing gradual changes to the FAFSA.

Although Pacchetti is expecting changes at the education department under new leadership this year, he believes that FAFSA reform— with its emphasis on efficiency and accessibility — will pass scrutiny in the new administration. And he wants to do more.

Staying close

The drive to do more is a trait Pacchetti amply displayed as an Illinois Wesleyan student. A psychology major and political science minor, he served as both vice president and president of IWU’s Student Senate, a role in which he sometimes collaborated with then-President Minor Myers. He was also a charter member of the Acacia fraternity when it re-chartered in the late 1980s.

During his senior year, he interned with the non-profit Center on Deafness in Bloomington. While brainstorming fundraising ideas, he hit upon a 5K run/walk in partnership between Illinois Wesleyan and Illinois State University. The first event was a success, and subsequent 5Ks were held for years in conjunction with IWU’s Homecoming and eventually named after Captain Ryan Beaupre ’95, who was among the first casualties of Operation Iraqi Freedom. (With funds raised to now fully endow a scholarship in Beaupre’s name, it was announced this year’s run would be the last.)

Former Director of Alumni Relations Ann Harding, who at the time coordinated IWU’s internship program, was impressed by Pacchetti’s initiative. “He has a big heart, and he’s a good listener,” Harding says. “He really cares about people.”

Harding notes that, upon moving to Washington, D.C., Pacchetti always found time to meet with her and student interns during trips to the nation’s capital. “He never seemed to be too busy to stay connected to Wesleyan,” Harding says. Pacchetti continues to stay in touch with his alma mater, serving on the IWU Alumni Association

Board of Directors since 2012 and helping form the Pride Alumni Community (PAC). This fall, he returned to campus for Homecoming 2016 as co-chair of his class's 25th reunion.



Pacchetti, an active alumnus, visited classmates at Homecoming 2016.

"I felt that Illinois Wesleyan had given a lot to me, and I wanted to give something back," he explains.

After moving to Washington, D.C., Pacchetti earned a master's degree in public administration and fulfilled his dream to work in the federal government by landing a job at the Department of Transportation in 1996. While studying to obtain his Ph.D. in education policy from the University of Maryland (which he received in 2008), Pacchetti took a demotion in order to transfer to the Department of Education — motivated by the desire to help other first-generation students blaze a trail to higher education.

"I really cared about helping those students get to college and have an education like I had," says Pacchetti, who has never forgotten that his own ability to receive financial aid led to the life-changing experiences he had at IWU. "Even back then," he says, "I was always looking at the economics of college-going in our country."

Blueprint for the future

Pacchetti is far from finished in his quest to make financial aid more accessible to the nation's college-bound students.

First, he believes the FAFSA needs to simplify further while being careful not to hamstring the education department's ability to make accurate assessments of financial need. The blueprint for reform that he produced at the Gates Foundation cut the number of FAFSA questions back from 108 to 27.

He's also continuing to help move the Federal Student Aid Office in developing a comprehensive digital platform for FASFA that includes web and email, while a mobile-phone version is in the pipeline. Parents and students alike "need the ability to file the FAFSA from a mobile device like a smartphone," he says. Lower-income households, in particular, often lack desktop computers, but most adults in the U.S. now have access to phones with Internet access.

He also sees benefits in letting families know that there's a difference between a college's "sticker price" for tuition and the actual amount students pay after federal aid, scholarships and other benefits.

When college-hunters see that sticker price, particularly at small private colleges, "they're scared away," he says. But smaller schools such as Illinois Wesleyan frequently provide attractive scholarship and aid packages while offering the education Pacchetti believes has been a boon in his own life and career. "I think the quality of education here on our small campus is such a special thing," he says.

Looking back, Pacchetti feels gratitude, knowing that the passions he pursued as an Illinois Wesleyan student have come full circle in his drive to help current and future college students pursue their own goals and passions.

Pacchetti's bottom-line advice to those students: "If you're lucky enough to know what your passion is, go ahead and follow it."

[Read more about financial aid myths and facts.](#)