

FINANCIAL AID 101

Presented by:
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Financing A College Education

A successful experience
requires a collaborative effort
by:

- ❖ Student
- ❖ Parent
- ❖ Institution
- ❖ Government



What is Financial Aid?

- ❖ Scholarships
- ❖ Grants
- ❖ Loans
- ❖ Employment opportunities

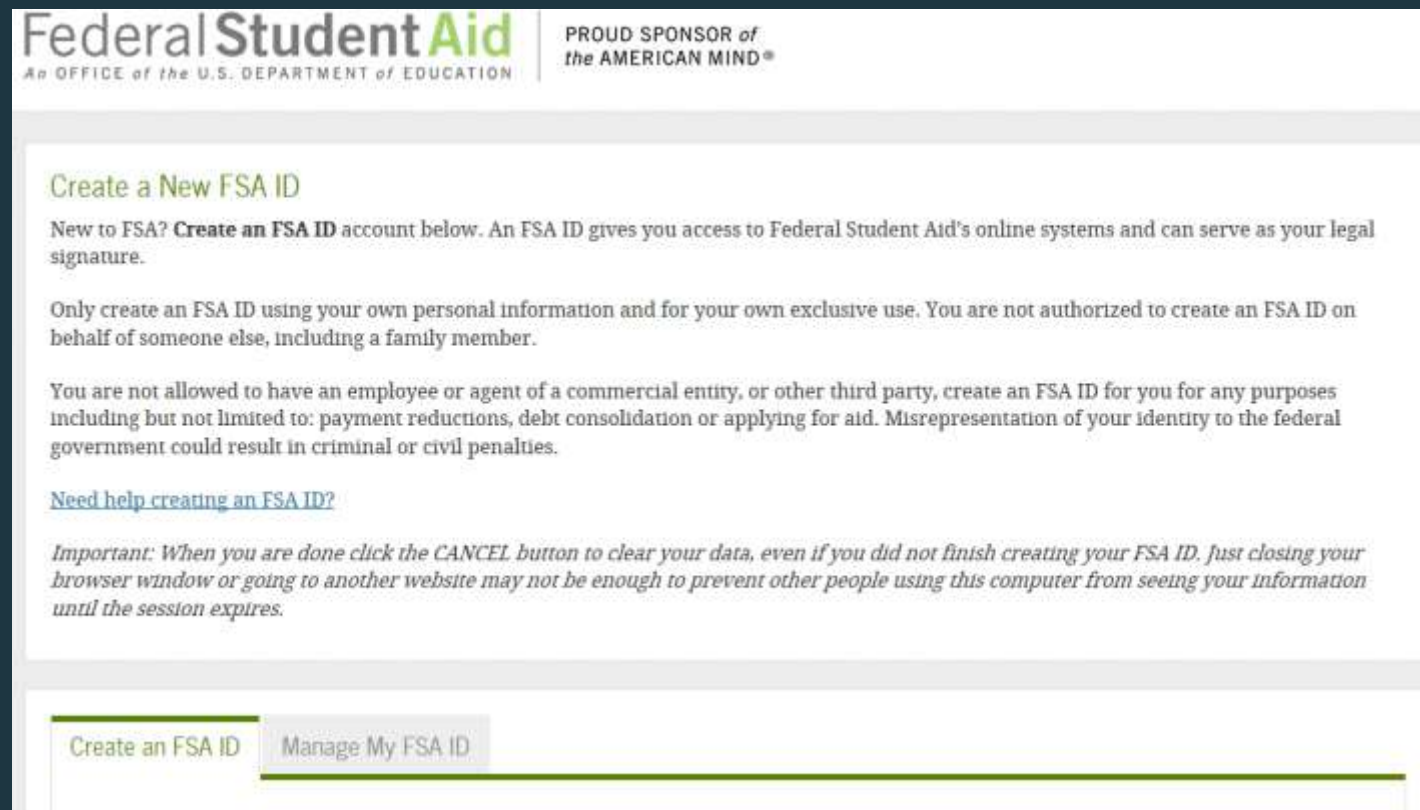


First Steps...

- ◎ Federal Student Aid ID - **FSA ID**
- ◎ 2018-2019 Free Application for Federal Student Aid - **FAFSA**

FSA ID

- Go to: <https://fsaid.ed.gov>
- Both parent and student need an FSA ID
- Unique email accounts are required for parent and student



Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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the AMERICAN MIND®

Create a New FSA ID

New to FSA? **Create an FSA ID** account below. An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature.

Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member.

You are not allowed to have an employee or agent of a commercial entity, or other third party, create an FSA ID for you for any purposes including but not limited to: payment reductions, debt consolidation or applying for aid. Misrepresentation of your identity to the federal government could result in criminal or civil penalties.

[Need help creating an FSA ID?](#)

Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires.

Create an FSA ID Manage My FSA ID

Free Application for Federal Student Aid (FAFSA)



The screenshot shows the FAFSA website homepage. At the top, there is a navigation bar with icons for Home, About Us, PIN Site, Student Aid on the Web, and Help. A search bar is located on the right side of the navigation bar. Below the navigation bar, there is a blue banner with the text "Get help paying for college" and "Submit a Free Application for Federal Student Aid (FAFSA)". Below the banner, there is a row of four images showing diverse college students. Below the images, there are two columns. The left column is titled "New to the FAFSA?" and contains a green button labeled "Start A New FAFSA". The right column is titled "Returning User?" and contains a list of options: "Make a correction", "Add a school", and "View your Student Aid Report (SAR), and more...". A green button labeled "Login" is located to the right of the list.

Home About Us PIN Site Student Aid on the Web Help

SEARCH

English Español

Get help paying for college

Submit a Free Application for Federal Student Aid (FAFSA)



New to the FAFSA?

Start A New FAFSA

Returning User?

- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

Login

www.fafsa.gov

Available October 1, 2017

Fall 2018 applicants choose 2018-2019

STUDENT

Login

Student Information

Form Approved
OMB No. 1845-0001
App. Exp. 12/31/2016

Instructions are provided for each FAFSA question in the Help and Hints section on the right side of the page and are also available by clicking **Need Help?** at the bottom of the page.

Enter either your (the student's) FSA ID or personal information to log in to *FAFSA on the Web*.

Enter your (the student's) FSA ID

Enter the student's information

Do not log in with the FSA ID if you are not the student.

OR

The student's first name

The student's full last name

The student's Social Security Number
[From a Freely Associated State?](#)

The student's date of birth (mmddyyyy)

NEXT

NEED HELP?

Help and Hints

Login Options

The FSA ID, which consists of a user-created username and password, replaced the PIN effective May, 2015. It allows users to electronically access personal information on Federal Student Aid Web sites as well as electronically sign a FAFSA.

Select one:

Enter your FSA ID (only the student should log in with an FSA ID),

Or

Enter the student's name, Social Security Number and date of birth. (You may have to enter your FSA ID later in the process).

[More>>>](#)

Step One: Student Information

- ❖ Student's Name
- ❖ Date of Birth
- ❖ Citizenship status
- ❖ Marital status
- ❖ Email Address

Student Eligibility

Are you a U.S. citizen?

When you begin college in the 2014-2015 school year, what will be your high school completion status?

When you begin the 2014-2015 school year, what will be your grade level?

When you begin the 2014-2015 school year, what degree or certificate will you be working on?

Are you interested in being considered for work-study?

Will you have your first bachelor's degree before July 1, 2014?
 Yes No

Highest school completed by Parent 1

Highest school completed by Parent 2

Have you ever received federal student aid?
 Yes No

Have you been convicted for the possession or sale of illegal drugs for an offense that occurred while you were receiving federal student aid (grants, loans, and/or work-study)?
 Yes No

Based on the answers you provided, we have determined that your eligibility for federal student aid is not affected by the previous question(s).

If you are convicted of possessing or selling drugs after you submit your FAFSA, you must notify the financial aid administrator at your college immediately. You will lose your eligibility for federal student aid and will be required to pay back all aid you received after your conviction.

[PREVIOUS](#) [NEXT](#)

Step Two: Schools

Enter up to 10 potential colleges:

School Selection

You can add up to 10 colleges to your FAFSA. If you know your college's school code, use the option to the right to search. If you need help finding your college, use the state (required), city (optional), and school name (optional) fields to begin your search.

State Federal School Code

City (optional) OR

School Name (optional)

[Search Tips](#)

Select a school from the Search Results table and click **Add >>** to add a school to the Selected Schools table.

Search Results: 1

Sort By: [Best Match](#) | [School Name](#)

| | |
|--------------------------|--|
| <input type="checkbox"/> | UNIVERSITY OF IOWA IOWA CITY, IA Federal School Code: 001892 i |
|--------------------------|--|

Selected Schools

Select up to 10 schools

| |
|--|
| UNIV OF ILLINOIS @ URBANA-CHAMPAIGN CHAMPAIGN, IL Federal School Code: 001775 Remove |
| ALABAMA AGRCLTL & MECHL UNIV NORMAL, AL Federal School Code: 001002 Remove |
| UNIVERSITY OF IOWA IOWA CITY, IA Federal School Code: 001892 Remove |

- ❖ School Code
 - Searchable by name, city or state

- ❖ Housing Plans

Step Three: Student Status

Step Three (Student): Answer the questions in this step to determine if you will need to provide parental information. Once you answer “Yes” to any of the questions in this step, skip Step Four and go to Step Five on page 8.

| | | | | |
|--|---------------------------|---|--------------------------|---|
| 46. Were you born before January 1, 1995? | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 47. As of today, are you married? (Also answer “Yes” if you are separated but not divorced.) | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 48. At the beginning of the 2018-2019 school year, will you be working on a master’s or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, graduate certificate, etc.)? | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 49. Are you currently serving on active duty in the U.S. Armed Forces for purposes other than training? See Notes page 9. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 50. Are you a veteran of the U.S. Armed Forces? See Notes page 9. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 51. Do you now have or will you have children who will receive more than half of their support from you between July 1, 2018 and June 30, 2019? | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 52. Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through June 30, 2019? | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 53. At any time since you turned age 13, were both your parents deceased, were you in foster care or were you a dependent or ward of the court? See Notes page 10. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 54. As determined by a court in your state of legal residence, are you or were you an emancipated minor? See Notes page 10. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 55. Does someone other than your parent or stepparent have legal guardianship of you, as determined by a court in your state of legal residence? See Notes page 10. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 56. At any time on or after July 1, 2017, did your high school or school district homeless liaison determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless? See Notes page 10. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 57. At any time on or after July 1, 2017, did the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless? See Notes page 10. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |
| 58. At any time on or after July 1, 2017, did the director of a runaway or homeless youth basic center or transitional living program determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless? See Notes page 10. | Yes <input type="radio"/> | 1 | No <input type="radio"/> | 2 |

- ❖ If student answers “NO” to all questions, then at least one parent’s information and signature is required.
- ❖ If student answers “Yes” to any question, then student is Independent only their income and assets will be considered.

Step Four: Parent Info

❖ Which parent's information must be included on the FAFSA?

59. As of today, what is the marital status of your legal parents?

- | | | | | | |
|---|-----------------------|---|----------------------------|-----------------------|---|
| Never married..... | <input type="radio"/> | 2 | Married or remarried..... | <input type="radio"/> | 1 |
| Unmarried and both parents living together, see Notes Page 9, Step Four... | <input type="radio"/> | 5 | Divorced or separated..... | <input type="radio"/> | 3 |
| | | | Widowed..... | <input type="radio"/> | 4 |

- ❖ Parents are married- **Both parents**
- ❖ Parents are divorced (not remarried)- **Only parent with whom student lives with most**
- ❖ Parents are divorced (remarried) **Parent and step parent with whom student lives with most**
- ❖ Parents were never married (don't live together)- **Only parent with whom student lives with most**
- ❖ Parents are not married (DO live together) **Both parents**

Grandparents, foster parents, legal guardians, older siblings, and uncles/aunts are not considered parents unless they have legally adopted you.



Step Four: Parent Info Cont

Parent Finances

Parent Financial Information

What type of income tax return did your parents file for 2015?

What was your parents' adjusted gross income for 2015? This amount is found on IRS Form 1040-line 37.
\$.00 [INCOME ESTIMATOR](#)

How much did your Parent 1 (father/mother/stepparent) earn from working (wages, salaries, tips, etc.) in 2015? This amount is your Parent 1 (father's/mother's/stepparent's) portion of IRS Form 1040-lines 7+12+18.
\$.00

How much did your Parent 2 (father/mother/stepparent) earn from working (wages, salaries, tips, etc.) in 2015? This amount is your Parent 2 (father's/mother's/stepparent's) portion of IRS Form 1040-lines 7+12+18.
\$.00

As of today, is either of your parents a dislocated worker?

In 2015 or 2016, did you, your parents, or anyone in your parents' household receive benefits from any of the federal benefits programs listed below? Check all that apply or check **None of the above**. If, at the time you are completing the FAFSA, you, your parents, or anyone in your parents' household did NOT receive any of these benefits during 2015 or 2016, but do receive any of them on or before December 31, 2016, you must return to the FAFSA and update your response.

Answering these questions will not reduce eligibility for student aid or these programs.

Medicaid

Supplemental Security Income (SSI)

Supplemental Nutrition Assistance Program ([SNAP](#))

Free or Reduced Price School Lunch

Temporary Assistance for Needy Families ([TANF](#))

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

None of the above

- ❖ 2016 AGI (line references from Federal Taxes or W2 forms)
- ❖ 2016 Federal taxes paid
- ❖ Current cash/checking/savings
- ❖ Current investments
 - do not include value of:
 - primary residence
 - retirement accounts
 - family controlled business with less than 100 employees
- ❖ Current household members and Number of College Students

Step Five: Student Information

Student Financial Information

What income tax return did you file for 2015?

IRS 1040A or 1040EZ ▼

What was your adjusted gross income for 2015? This amount is found on IRS Form 1040A-line 21 or 1040EZ-line 4.

\$.00 [INCOME ESTIMATOR](#)

How much did you earn from working (wages, salaries, tips, etc.) in 2015? This amount is found on IRS Form 1040A-line 7 or 1040EZ-line 1.

\$.00

Questions include:

- ❖ 2016 AGI (line references from Federal Taxes or W2 forms)
- ❖ 2016 Federal taxes paid
- ❖ Current cash/checking/savings
- ❖ Current investments

IRS Data Retrieval Tool



- ❖ While completing FAFSA, applicant may submit real-time request to IRS for tax data
- ❖ IRS will authenticate taxpayer's identity and send real-time results to applicant in new window
 - ❖ Address entered must match the address on the tax return EXACTLY
- ❖ Applicant chooses whether or not to transfer data to FAFSA
- ❖ Participation is voluntary
- ❖ Could reduce documents requested by financial aid office

Step Six: Signatures

- ❖ Review information for accuracy prior to submitting
- ❖ Sign with an FSA ID
Dependent Students: 1 parent and student

Student Signature

Student's Social Security Number

Student's last name

Student's date of birth

READ BEFORE PROCEEDING

By signing this application electronically using your Federal Student Aid PIN, username and password, and/or any other credential or by signing a signature page and mailing it to us, YOU, THE STUDENT, certify that you:

1. will use federal and/or state student financial aid only to pay the cost of attending an institution of higher education,
2. are not in default on a federal student loan or have made satisfactory arrangements to repay it,
3. do not owe money back on a federal student grant or have made satisfactory arrangements to repay it,
4. will notify your school if you default on a federal student loan, and F will not receive a Federal Pell Grant from more than one school for the same

I, the student, agree to the terms outlined above.

Agree Disagree

[SIGN](#)

Parent Signature

Are you signing as the student's Parent 1 (father/mother/stepparent), or Parent 2 (father/mother/stepparent)?

Parent 1 (Father/Mother/Stepparent) Parent 2 (Father/Mother/Stepparent)

READ BEFORE PROCEEDING

By signing this application electronically using your Federal Student Aid PIN, username and password, and/or any other credential or by signing a signature page and mailing it to us, YOU, THE PARENT, certify that all of the information you provided is true and complete to the best of your knowledge and you agree, if asked:

1. to provide information that will verify the accuracy of your completed form
2. to provide U.S. or state income tax forms that you filed or are required to file.

You also certify that you understand that the Secretary of Education has the authority to verify information reported on your application with the Internal Revenue Service and other federal agencies.

I, the parent, agree to the terms outlined above.

Agree Disagree

What is your (the parent's) FSA ID?
Do not enter the FSA ID if you are not the parent.

FSA ID Username or Verified E-mail Address

[Create an FSA ID](#)

FSA ID Password

[Forgot Username](#)

[Forgot Password](#)

[Other options to sign and submit](#)

Confirmation Page

- ❖ Transfer parent data to another child
- ❖ EFC estimate
- ❖ Eligibility indicator for Pell and Stafford Loans
- ❖ College rates


2017-2018 Confirmation Page

[PRINT THIS PAGE](#)

Confirmation Number: F 00252357607 09/13/2017 09:09:31

Data Release Number (DRN): 9999

Congratulations, Melanie! Your FAFSA was successfully submitted to Federal Student Aid.

 Does your brother or sister need to complete a FAFSA? If so, you can [transfer your parents' information into a new FAFSA](#) for your brother or sister to save time. Your parents will have to provide a signature again, but that's all.

What Happens Next

- In 7-10 business days, we will mail you a Student Aid Report (SAR) notifying you that your FAFSA was processed.
- Your FAFSA information will be made available to your school(s), and they will use it to determine the aid you may be eligible to receive.
- Your school(s) will contact you if they need more information or when they are ready to discuss your financial aid award.
- If you have questions about your financial aid package, contact your school(s).

School(s) on your FAFSA:

| School Name | Graduation Rate | Retention Rate | Transfer Rate | Additional Information from College Navigator |
|------------------------------|---------------------------------|--------------------------------|-------------------------------|---|
| ALABAMA AGRCLTL & MECHL UNIV | 31% | 58% | 40% | NA |

Eligibility Information

Estimated Expected Family Contribution (EFC) = 999999

The EFC is a measure of how much you can contribute to the cost of your education. Schools use your EFC to determine your federal student aid eligibility.

The EFC is not how much aid you will receive or how much you have to pay for college.

Based on the [eligibility criteria](#), you may be eligible for the following:

[Pell Grant](#) Estimate - \$5,920.00

[Direct Stafford Loan](#) Estimate - \$5,500.00

You may also be eligible to receive other federal, state, or institutional grants, scholarships, and/or work-study.

In addition, you should learn about [federal tax benefits for education](#), including the *American Opportunity Tax Credit (AOTC)*.

What is an EFC?



Federal Methodology:

- ❖ A formula created by Congress to determine your Expected Family Contribution (EFC).
 - The same formula applies to all applicants.
 - Measures your ability, not willingness to pay.
 - EFC components:
 - Parent Income and Assets
 - Student Income and Assets

- ❖ Things not considered : value of primary residence, consumer debt, or retirement accounts

What is Financial Need?

Cost of Attendance (COA) =A

Tuition, Fees, Room, Board, Transportation, and Misc

Expected Family Contribution (EFC) from FAFSA =B

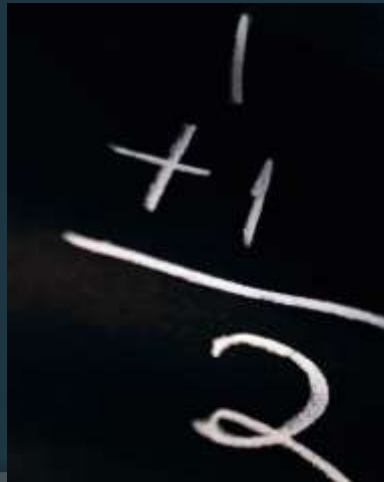
Income, Assets, Number in Family, Number in College

$A - B = (C)$ Your Financial Need



Your need depends on the cost!

| | <u>UW System</u> | <u>Voc Tech</u> | <u>Independent</u> |
|-------|------------------|-----------------|--------------------|
| COA | \$32,000 | \$22,000 | \$42,000 |
| EFC | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| <hr/> | | | |
| NEED | \$ 27,000 | \$ 17,000 | \$ 37,000 |



Scholarships

❖ Academic



❖ Creative Talent



❖ Athletic Talent



❖ Ethnicity/Religion



Need-Based Grants

FEDERAL GOVERNMENT

- Pell
- SEOG
- TEACH Grant

STATE GOVERNMENT

- Wisconsin Grant

INSTITUTIONAL

- Varies by institution



Loans

- ❖ **Federal Stafford Loan (17-18 UG rates)**
 - Subsidized 4.45%
 - Unsubsidized 4.45%
 - \$3,500 Subsidized
 - \$2,000 Unsubsidized


- ❖ **PLUS: Parent Loan for Undergraduate Students**
 - 7 %

- ❖ **Alternative Loans (vary)**

- ❖ **Institutional (vary)**



Eligibility for Financial Aid

- ❖ Don't eliminate yourself. Remember it's  Free!
- ❖ There is no income cutoff for financial aid
- ❖ Complete admission process
- ❖ Contact the Aid Office if financial circumstances change
- ❖ There may be limitations to the aid you are offered –
 - ❖ Additional information will be provided with your award

The Application Process



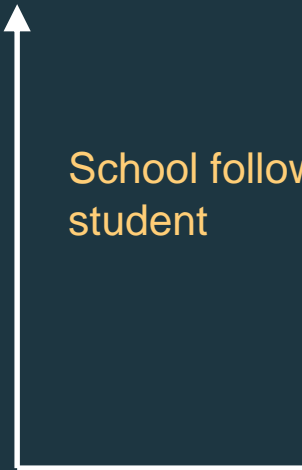
Student submits FAFSA



ED calculates EFC and returns results to student



School follows up with student



ED sends copy of result to state & schools of choice.



Response from Schools

The Financial Aid Office issues a:
FINANCIAL AID PACKAGE

*Processing times vary

Consisting Of:

- The Cost of Attendance
- Your Financial Aid Eligibility
- A description of each program
- What to do next

If you feel you have special circumstances,
let the aid office know!



Questions to consider

- ❖ Are the scholarships renewable?
 - Requirements?
 - GPA, participation, major, max number of terms
- ❖ Grant/Loan combination
- ❖ Will the student graduate in 4 or 5 years? What is the additional cost?
- ❖ Are there additional fees for specific majors?
- ❖ How is student employment handled?
- ❖ Actual cost minus aid – not just the most aid

How are we going to pay?

Direct Costs(tuition, room & board, fees, books)

- Financial aid

= Remaining balance due

- ❖ Am I billed for the year or by the term?
- ❖ What are my payment options?
- ❖ When are payments due?
- ❖ Do I need an additional loan? If yes, ensure that loans are finalized 1 month prior to the start of the term.

Net Price Calculator (NPC)

- ⦿ Aid estimate prior to actual financial aid package
 - Located on individual college's website (all schools are required to have this)
 - Families provide basic financial information
 - Parent and student income and assets
 - Changes in actual aid packages may result if information used on the NPC is significantly different than that on the FAFSA

Tips for Maximizing Aid

- ❖ Market yourself...what is unique about you?
- ❖ Continue to focus on academics through senior year
- ❖ Look for ways to make yourself well rounded
 - Sports, clubs, civic organizations, community service
 - It's ok if you are unable to do a lot of additional activities due to family or work obligations, just be prepared to share what lessons you have learned or skills have you developed

Tips for Maximizing Aid

- ❖ Create a resume/list of activities and skills
- ❖ Write a great personal statement
 - Scholarship apps
 - Admission apps
- ❖ Apply for Specialty Scholarships
- ❖ Apply for outside scholarships
 - High School guidance offices
 - Internet searches
 - College websites



College Goal Wisconsin

- ❖ Free FAFSA filing assistance from aid experts
- ❖ 95.7 percent of the families felt it was worth attending
- ❖ 30 sites throughout Wisconsin from 6-8 pm
 - ❖ Oct. 11 – LaFollette High School
 - ❖ Oct. 25 – DeForest High School
 - ❖ Nov. 8 – Memorial High School

Want more details?

www.collegegoalwi.org or call 1-866-578-4625

Final



- ❖ Apply early – watch deadlines
- ❖ Schools may have additional aid forms
- ❖ Each school evaluates the student differently
- ❖ Read ALL materials issued by the school
- ❖ Inform your school of any “special circumstances”

Questions?

