



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



3 Types of Federal Student Aid

1



Free
money.

Grants are usually based on financial need and don't have to be repaid.

2



Borrowed
money.

Loans are an investment in your future. But remember, they must be repaid with interest.

3



Earned
money.

A **work-study** job lets you earn money while you're in school.

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

PROUD SPONSOR of
the AMERICAN MIND®

Learn more at StudentAid.gov/types. Apply at www.fafsa.gov.

What is the 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!

	UW System	Voc Tech	Private
COA	\$38,000	\$28,000	\$48,000
EFC	\$5,000	\$5,000	\$5,000
NEED	\$33,000	\$23,000	\$43,000

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 Direct Loan (22-23 UG rates)

- Subsidized and Unsubsidized 4.99%
- \$3,500 Subsidized
- \$2,000 Unsubsidized

PLUS: Parent Loan for Undergraduate Students

- 7.54 %

Alternative Loans (vary)

Institutional (vary)



Financial Aid Limitations

Federal Pell Grant

- ▶ 6 years at full time status

Wisconsin Grant

- ▶ 10 semesters

Usage is cumulative throughout college career.

Other programs may also have additional limitations – check with the aid office for further details.

Student Employment

Part-time employment

- ▶ On campus
- ▶ Designated off-campus locations



Questions to ask

- ▶ When are jobs available?
- ▶ How does a student secure a job?
- ▶ Does the student get paid directly or is it applied to their account?

Be prepared to complete new hire paperwork

- ▶ I9, WT4, W4
- ▶ Bring 2 original forms of identification



Eligibility for Financial Aid

- ▶ Don't eliminate yourself! Remember it's
- ▶ There is no income cutoff for financial aid.
- ▶ Complete admission process.
- ▶ Contact the Aid Office if financial circumstances change.

FREE



Before FAFSA filing....

FSA ID tips

FSA ID = electronic signature for student and parent

- ▶ Separate email and mobile phone required

Create at least 3 days prior to FAFSA filing.

Write down usernames, passwords, security question answers.

Will need access to email and/or mobile phone during this process.

Create Your FSA ID

www.studentaid.gov

Email:

- Each FSA ID must have a unique email address (you and your parent cannot use the same email address).
- You must have access to this email account.

Username:

- Don't include personal info such as date of birth or name.
- If you see a message "Username taken, create a different username," then someone has already used that username.

Create a New FSA ID

An FSA ID is a username and password that 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.

Important: When you are done, select 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.

Log in to Source

Create an FSA ID

Manage My FSA ID

Create your FSA ID username and password below.

Username



Password



✓ Numbers ✓ Uppercase Letters ✓ Lowercase Letters ✓ 8-30 Characters ☐ Show Text

Confirm Password



CONTINUE

Verify Your Email/Mobile Phone

Verify Your E-mail Address

Email Verification Page

You must verify your e-mail address before you can use it for account recovery. An e-mail containing a secure code was sent to your e-mail address on file.

Important: If you're accessing your e-mail via the Web, **make sure to open a separate browser tab or window**. If you did not receive an e-mail, you can [request a new secure code](#).



Enter the Secure Code

Enter the secure code below and select SUBMIT to verify your e-mail address. After you verify your e-mail address, you can use it as your username when logging in.

Note: It may take a few minutes for the e-mail to arrive. Check your junk folder if you cannot find the message in your inbox. Some e-mail providers require that you add an e-mail address to your address book before you can receive any e-mail from that address. To ensure that our messages can be delivered to your inbox, enter our originating e-mail address, FSA-ID@ed.gov into your address book.



CANCEL

[Skip Verification](#)

SUBMIT

Important: Your FSA ID E-mail Validation - Action Required

Inbox x



FSA ID Information <FSA-ID@ed.gov>
to me

4:45 PM (3 minutes ago)

Dear Test,

Complete the e-mail verification process by entering the following secure code into the Secure Code field on your web page:

386907

Once you have entered the secure code and verified your e-mail address, you will also be able to use your e-mail as your username when logging in to Federal Student Aid applications and websites.

This code is used to verify your e-mail address and is not your FSA ID. The FSA ID is the ID you choose during the registration process.

If you have any questions or need help, visit <https://fsaid.ed.gov> and select Help for more details.

Thank you,

U.S. Department of Education


Federal Student Aid

This mailbox is unattended. Please do not reply to this message.

Email With Your Secure Code

FAFSA opens **October 1**

www.studentaid.gov

 An official website of the United States government.

Help Center English | Español

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

UNDERSTAND AID ▾ APPLY FOR AID ▾ COMPLETE AID PROCESS ▾ MANAGE LOANS ▾ Log In | Create Account 🔍

[Complete the FAFSA® Form](#)
[FAFSA Deadlines](#)
[Filling Out the FAFSA Form](#)
[Reviewing and Correcting Your FAFSA Form](#)
[Renewing Your FAFSA Form](#)

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[Apply for a Parent PLUS Loan](#)
[Endorse a PLUS Loan](#)
[Appeal a Credit Decision](#)
[Complete PLUS Credit Counseling](#)

The U.S. Department of Education's office of Federal Student Aid provides more than \$120 billion in financial aid to help pay for college or career school each year.

[Log In](#)

[Create Account](#)

Considering School

I'm thinking about going to college or a career school.

In School

I'm in the process of earning a degree or certificate.

Parent

I want to help my child pay for college.

In Repayment


I have loans I need to repay.


Who is completing the FAFSA?


Welcome to the FAFSA® Form

Tell us about yourself.

[? Help](#) [Exit FAFSA Form](#)

☐ I am a student and want to access the FAFSA form. 

☐ I am a parent filling out a FAFSA form for a student. 

☐ I am a preparer helping a student fill out his or her FAFSA form. 

Fall 2023 applicants choose 2023-2024

For which school year are you applying for financial aid?

If you are applying for a summer session or just don't know which application to complete, check with the college you are planning to attend.

Which school year should I choose?

Start 2023-24 FAFSA Form

or

Start 2022-23 FAFSA Form

Step One: Student Information

- ▶ Student's Name
- ▶ Date of Birth
- ▶ Citizenship Status
- ▶ Marital Status
- ▶ Email Address

The screenshot shows a web form titled "STUDENT INFORMATION" with a progress bar at the top. The progress bar has seven steps: 1. Student Demographics (checked), 2. School Selection (checked), 3. Dependency Status (checked), 4. Parent Demographics (active, highlighted with a blue circle), 5. Parent Financials, 6. Student Financials, and 7. Sign & Submit. The form fields are as follows:

- Student Address**
 - Your Permanent Mailing Address (include apt. number): ?
 - Your City (and country, if not U.S.): ?
 - Your State: ?
 - Your ZIP Code: ?

At the bottom of the form, there are two buttons: "Previous" and "Continue".

Step Two: Schools

Enter up to 10 potential colleges

- ▶ School Code
- ▶ Housing Plans

The screenshot shows the FAFSA application interface for Step Two: Schools. At the top, a progress bar indicates the current step is 'School Selection' (Step 2), with previous steps marked as complete and subsequent steps (Dependency Status, Parent Demographics, Parent Financials, Student Financials, Sign & Submit) pending. The main heading is 'SCHOOL SELECTION' followed by 'College Search'. Three informational boxes provide guidance: the first mentions a TESTG determination for federal aid; the second explains that up to 10 colleges can be added and directs users to learn more about adding more than 10 colleges, emphasizing that all colleges of interest must be added; the third instructs users to enter the college's school code and select 'Search.' Below these boxes, there are two search tabs: 'Search by School Name, City, State' and 'Search by Federal School Code'. The 'Search by Federal School Code' tab is active, showing a text input field for the 'Federal School Code' with a help icon to its right. A 'Search' button is positioned below the input field. At the bottom left, there is a 'Previous' button.

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

The screenshot shows the FAFSA application interface for the 'Parent Marital Status' section. At the top, a progress bar indicates the following steps: Student Demographics (1), School Selection (2), Dependency Status (3), Parent Demographics (4, currently active), Parent Financials (5), Student Financials (6), and Sign & Submit (7). The main heading is 'PARENT INFORMATION' followed by 'Parent Marital Status'. A blue information icon with a question mark is followed by the text: 'Because the FAFSA® form belongs to the student, "you" and "your" always (unless otherwise noted) refer to the student.' Below this, the question 'As of today, what is the marital status of your parents?' is followed by a dropdown menu with 'Married or remarried' selected. The next question is 'When did your parents get married or remarried?'. This is followed by two input fields: 'Month' with '08' and 'Year' with '1994'. At the bottom, there are two buttons: 'Previous' and 'Continue'.

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

- ▶ 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 the most**
- ▶ Parents are not married (DO live together) – **Both parents**

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 Four: Parent Info Continued

Parent Finances

2021 AGI (line references from Federal Taxes or W2 forms)

2021 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

The screenshot shows a web interface for the 'Parent Financials' step. At the top, a progress bar includes seven steps: 'Student Demographics' (checked), 'School Selection' (checked), 'Dependency Status' (checked), 'Parent Demographics' (checked), 'Parent Financials' (active, highlighted with a blue circle and number 5), 'Student Financials' (numbered 6), and 'Sign & Submit' (numbered 7). Below the progress bar, the section is titled 'PARENT INFORMATION' and 'Parent IRS Info'. The main question is 'What was your parents' adjusted gross income for 2020?' with a note 'This amount is found on IRS Form 1040-line 11.' Below this is a text input field with a dollar sign on the left and '.00' on the right, followed by a help icon. A link 'Calculate with Income Estimator' is positioned below the input field. At the bottom, there are two buttons: 'Previous' and 'Continue'.

Step Five: Student Information

Questions include:

- ▶ 2021 AGI (line references from Federal Taxes or W2 forms)
- ▶ 2021 Federal taxes paid
- ▶ Current cash/checking/saving
- ▶ Current investments

The screenshot shows a web application interface for a financial aid application. At the top, there is a progress bar with seven steps: Student Demographics, School Selection, Dependency Status, Parent Demographics, Parent Financials, Student Financials (current step, marked with a blue circle and the number 6), and Sign & Submit (marked with a circle and the number 7). Each step has a green checkmark above it. Below the progress bar, the main content area is titled "STUDENT INFORMATION" and "Student IRS Info". It asks the user: "What was your and your spouse's adjusted gross income for 2020?" and provides a hint: "This amount is found on 1040-line 11." Below this is a text input field with a dollar sign on the left and ".00" on the right, followed by a question mark icon. Underneath the input field is a link that says "Calculate with Income Estimator". At the bottom of the form, there are two buttons: "Previous" and "Continue".

Step Six: Signatures

✓
Student Demographics

✓
School Selection

✓
Dependency Status

✓
Parent Demographics


✓
Parent Financials

✓
Student Financials


7
Sign & Submit

SIGN & SUBMIT

Signature Status

 A parent must sign the FAFSA® form. If you're a parent, select "Provide Parent Signature" to sign your child's FAFSA form.

Note: If you're the student and your parent isn't present, select "Save FAFSA Form" and then "Exit FAFSA." Your parent should log in to the FAFSA form using the student's identifiers and the save key to sign and submit your FAFSA form.




Student Signed With FSA ID

Signed With FSA ID

Last Name
Anderson

Date of Birth
08/09/2002

Social Security Number
.....1483



Parent Signature Needed

UNSIGNED

Provide Parent Signature

Previous

Confirmation Page

FAFSA Home

Exit FAFSA Form

Help

06/15/2022 13:07:50

Confirmation Number: F 16700006802

Data Release Number (DRN): 3615

Congratulations, TestE!

Your FAFSA form was successfully submitted to Federal Student Aid.

Here's what happens next:

- You will receive an email version of this page.
- In 3-5 business days, you will receive an email notifying you that your FAFSA form 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).

An abbreviated version of your confirmation page has been sent to you at the following email address:

595011467@test.com

Print This Page

Share with your friends!

Frequent FAFSA Errors

- ▶ Failing to file the FAFSA annually
- ▶ Filing the wrong year's FAFSA
- ▶ Missing financial aid deadlines
- ▶ Using the wrong Social Security Number (SSN) or date of birth
- ▶ Errors in student or parent marital status
- ▶ Incorrect data related to divorced parents
- ▶ Reporting wrong tax filing status (e.g., head of household)
- ▶ Reporting retirement plans and the net worth of the family home as investments



Special Circumstances?

Contact the Financial Aid Office

- ▶ Divorce/Separation
- ▶ Loss of income or benefits
- ▶ One-time income
- ▶ Death or Disability of student or parent
- ▶ Substantial medical/dental expenses not covered by insurance
- ▶ Elementary or secondary school tuition
- ▶ Dependency override

(Note: Professional Judgment is at the sole discretion of each institution.)

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



Verification

The Department of Education picks about 30% of students randomly for verification.

Provide documentation to school

- ▶ Verification Worksheet
- ▶ Consent to IRS data retrieval or submit a tax return transcript
- ▶ Asset Statements
- ▶ Child Support Paid Documentation
- ▶ Others items as determined by the school



Response from Schools

The Financial Aid Office issues a:

FINANCIAL AID PACKAGE

Processing times vary

Delivery methods 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?

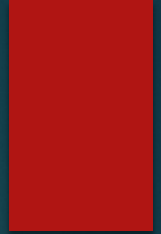
Direct Costs (tuition, room & board, fees, books)

- 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

Other Resources

- ▶ Parent or Student Employer Scholarships
- ▶ Corporation for National and Community Service
- ▶ Veterans/ROTC Benefits
- ▶ Bureau of Indian Affairs (BIA) Grants
- ▶ Division of Vocational Rehabilitation (DVR)
- ▶ Higher Educational Aids Board (HEAB)



Scholarship Searches

The logo for fastweb, featuring the word "fastweb" in white lowercase letters on a dark blue rectangular background.

www.fastweb.com

The logo for collegeexpress, featuring a stylized "CX" in blue and the word "collegeexpress" in blue lowercase letters on a white rectangular background.

www.collegeexpress.com

The logo for salliemae, featuring a stylized graphic of three vertical lines of increasing height followed by the words "sallie" and "mae" in blue lowercase letters on a white rectangular background.

www.salliemae.com/college-planning/tools/scholarship-search/

The logo for FinAid!, featuring the word "FinAid!" in blue, with a small graphic of a person holding a flag next to the exclamation mark, all on a white rectangular background.

www.finaid.org

The logo for bigfuture, featuring the word "bigfuture" in bold black lowercase letters, with "by The College Board" in smaller text below it, and a blue speech bubble icon to the right, all on a white rectangular background with a red border.

bigfuture.collegeboard.org

The logo for cappex, featuring a stylized white "C" icon followed by the word "cappex" in white lowercase letters on a dark green rectangular background.

www.cappex.com

Avoid Being Scammed

APPLYING FOR AID IS A FREE PROCESS!

Department of Education Office
studentaid.gov/resources/scams

Better Business Bureau

www.bbb.org

- Financial aid scam notices
- Tips to avoid scams
- Check legitimacy of scholarship agencies



College Goal Wisconsin

Free FAFSA filing assistance from aid experts

- ▶ 95.7 percent of the families felt it was worth participating
- ▶ College Goal Wisconsin events will take place virtually and in person during October and November.



Go to www.collegegoalwi.org for dates and details.

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”
- ❑ Always keep copies



Questions?

