FAFSA

FINANCIAL AID BASICS

Academic Year 2015-2016

FINANCIAL AID BASICS

Need Analysis

Cost of Attendance (COA)

Expected Family Contribution (EFC)

Financial Need

Types of Aid

The Application

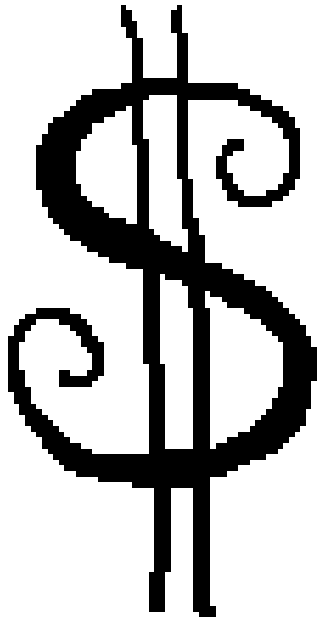
Questions & Answers

Goals of Financial Aid

- To assist a student in paying for higher education
- To provide greater access and opportunity for higher education
- To help narrow the gap between what the family can pay and the cost of education

What are the costs?

Tuition and Fees
\+ Room and Board
\+ Transportation
\+ Books and Supplies
\+ Miscellaneous Living Expenses
= **Cost of Attendance (COA)**



Direct versus Indirect Costs

2014/15
Costs of Attendance (approximate)

	Living @ Home	Off/On Campus
UW-Madison	$16,541	$24,446
UW-Milwaukee	$16,454	$22,580
UW-Eau Claire	$13,950	$19,286
Marquette University	$45,508	$48,178
UW Colleges	$13,510	$18,520
Edgewood College		$34,218
Chippewa Valley Tech College	$12,298	$15,844
Notre Dame		$60,117
University of MN – TC		$25,124
Iowa State University		$31,470

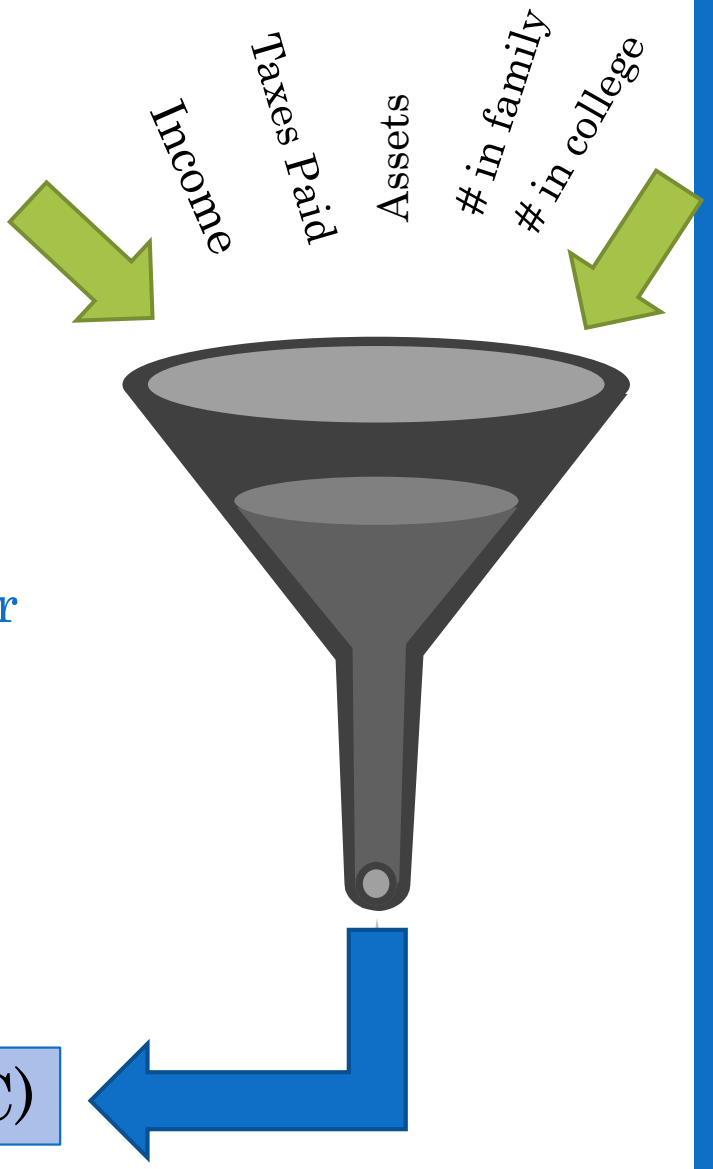
Expected Family Contribution (EFC)

- Determined by filing the Free Application for Federal Student Aid (FAFSA)
  - www.fafsa.gov (NOT .com)
- Ways to describe purpose of the EFC
  - An index number used to calculate eligibility for aid
  - Is NOT an estimate of "extra" cash available
  - Is NOT what family will pay to school
  - Stays the same regardless of college/university

EFC Calculation

- Establishe by Congress
- Uses both parent AND student information (*for dependent students*)
- Has income and asset protection allowances

Adjustments to EFC may be made by the Financial Aid Office due to Verification and/or Special Circumstances that limit ability to pay.



EFC Example

Family Size	4
Number in college	1
Parent AGI (IRS 1040A)	$ 52,000
Parent Untaxed Income	$ 3,500
Parent's Assets	$ 45,000
Student's AGI	$ 4,500
Student's Assets	$ 500

	Parent's Contribution	$ 3,450
	(Parent's Contribution from Assets = $1,056)	
+	Student's Contribution	$ 100
	(Student Contribution from Assets $100)	
=	Expected Family Contribution:	$ 3,550

**EFC based on 2014/15 formula

Financial Need

Cost of Attendance (COA)

\- Expected Family Contribution (EFC)

= **Financial Need**

Need Varies By School Cost

	School 1	School 2	School 3
Cost of Attendance	$ 39,028	$ 19,388	$ 14,285
Less EFC	**$ 3,550**	**$ 3,550**	**$ 3,550**
Need	$ 35,478	$ 15,838	$ 10,735

College Scholarship Service/PROFILE

- Used by some private schools and should notify the student if required, but don't trust the website's list of participating schools.
- Collects data beyond what's required on FAFSA
- Targets institutional funds only
- Supports early estimates/early admission
- As of September 2014, costs $25, plus $16 for each additional school it needs to be sent to
- Can complete beginning October 1, 2014

TYPES OF FINANCIAL AID

Sources of Aid

Grants

Loans

Work Study

Scholarships

Grant Aid (FREE!!)

- Federal
  - Pell Grant
  - Supplemental Educational Opportunity Grant (SEOG)
  - TEACH Grant (** not all schools participate*)
- State
  - WI Higher Education Grant (WHEG)
  - WI Tuition Grant (WTG)
- Institutional
  - Varies depending on school

Scholarships (FREE!!!)

- Colleges/Universities
  - academic, athletic or other talent
- Civic organizations
  - Churches, PTA, Elks, Kiwanis, cultural leagues, etc
- Private businesses
- Parental affiliations
  - Employers & labor unions
- Online scholarship searches

Add'l Government Resources

- AmeriCorps
- Veteran's benefits and tuition waivers
- ROTC scholarships and/or stipends
- Bureau of Indian Affairs (BIA) Grants
- State Division of Vocational Rehabilitation (DVR)
- Health and Human Services loan and scholarship programs

Loans

- Federal Perkins Loan – subsidized, 5% interest, 9 mo grace period
- William D Ford Federal Direct Loan Program
  - Subsidized/Unsubsidized options, Sub eligibility based on financial need
- Federal PLUS (for parents)
- State Loans
- Institutional Loans
- Private Education Loans

Loan Comparison Chart

	Federal Stafford Loan (Subsidized & Unsubsidized)	Federal PLUS Loan	MN Self Loan	Private Alternative Loan	Federal Perkins Loan
Borrower	Student	Parent	Student	Student	Student
Cosigner	None	Only if poor credit	Yes	Probable	None
Credit check	None	Yes	Yes	Yes	None
FAFSA required	Yes	Yes	Every other year	Recommended	Yes
Interest Rate	4.66% Fixed Unsubsidized or Subsidized Undergraduate	6.41% (Direct) Fixed	Variable (3.2%) or Fixed (6.9%) as of 01/02/2015	Variable	5% Fixed
Fees	Origination Fee & Default Fee may apply (1.072%)	Origination and Default Fees apply (up to 4.288%)	None	Vary by loan program & credit rating	None
Loan Limits	1st year-$3500 + $2000 2nd year-$4500 + $2000 3+ years-$5500 + $2000 Graduate-$8500 + $12000	Cost of Attendance less Aid	$10,000/yr based on grade level	Cost of Attendance less Aid	Determined by school on need & available funds
Repayment	6 months after leaving school or dropping below 1/2 time	60 days after fully disbursed; may request deferment	1 year after leaving school or dropping below 1/2 time	Check with lender	9 months after leaving school
Borrower Benefits	Not Applicable	Check with lender	Not Applicable	Check with lender	Not Applicable

www.studentloans.gov

PLUS vs. Private Ed. Loans

Compare the differences:

- Interest rate (variable vs. fixed)
- Borrower/Cosigner requirements and qualifications
- Minimum and maximum loan amounts
- Interest accrual
- Deferment and/or forbearance options
- Fees (origination and repayment)
- Repayment period
- Consolidation options

Employment

- Federal Work Study Program
- Institutional Work Programs
- Off campus/summer employment

Studies show that students who work part-time while in school perform better academically

Other Financing Options

- School payment plans – may or may not be available depending on school
- Home equity loans (longer repayment, tax deductible)
- Life insurance policy loans
- Retirement plan loans
- 529 Education Savings Plans
  - Wisconsin's Plan – Edvest www.edvest.com, managed by TIAA-CREF

STATE OF WI RESOURCES

Higher Educational Aids Board (HEAB)

WEOP - WI Dept of Public Instruction

HEAB – Who may receive state aid?

- State financial aid is available to WI residents enrolled at non-profit colleges/universities based in WI:
  - UW System Schools
  - WI Technical Colleges
  - Independent Colleges & Universities
  - Tribal Colleges

HEAB – Applying for State Funds

- HEAB receives FAFSA data for all students that list WI as their state of residence.
- Only requirement to be considered for State grant programs is to complete the FAFSA
  - Please encourage **ALL** to do so, even Veterans that may be receiving other benefits

HEAB - WI Covenant's Senior Confirmation Checklist

- A confirmation form signed by:
  - Student
  - Parent (if applicable)
  - Primary School Contact (Guidance Counselor or Principal)
- A record of service form
- Two letters of recommendation, if necessary due to a suspension
- Student and/or family mails these documents to the HEAB Office

HEAB - Important Dates for Confirmation Process

November/December:	Lists of Wisconsin Covenant students will be emailed to Primary Contacts
December 1:	Confirmation form will become available online and will be mailed to seniors
January 1:	Confirmation process begins
April 1:	Confirmation/**FAFSA deadline**
July 1:	Deadline for Primary Contacts to send list of students that were confirmed, but did not graduate

Students MUST verify that they meet the pledge requirements to be recognized as a WI Covenant Scholar and to receive the Scholars Grant

Questions on WI Covenant? Contact **Garth Beyer**, HEAB Grant Specialist
E:mail: garth.beyer@wisconsin.gov Phone: (608)267-9389

HEAB – WI Covenant Awards

Full-Time Enrollment
(12+ credits/term)

EFC	WI Covenant Foundation Grant	WI Covenant Scholars Grant	Total
$0	$1,500	$1,000	$2,500
$1 - $3,499	$1,000	$1,500	$2,500
$3,500 - $11,999	$0	$1,000	$1,000
$12,000 - $999,999	$0	$250	$250

THE FAFSA

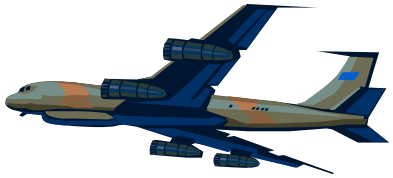
Application Process

IRS Data Retrieval

Frequent Errors

Common Questions/Confusion

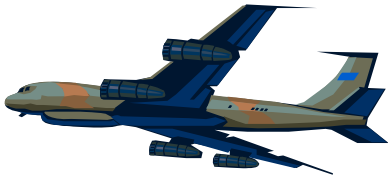
Available Resources



SELECTIVE SERVICE

ALL MALE APPLICANTS **MUST** BE REGISTERED WITH THE SELECTIVE SERVICE SYSTEM TO RECEIVE FEDERAL STUDENT AID.

IF YOU ARE A MALE (AGE 18-25) AND NOT REGISTERED, YOU MAY DO SO ON THE FAFSA.

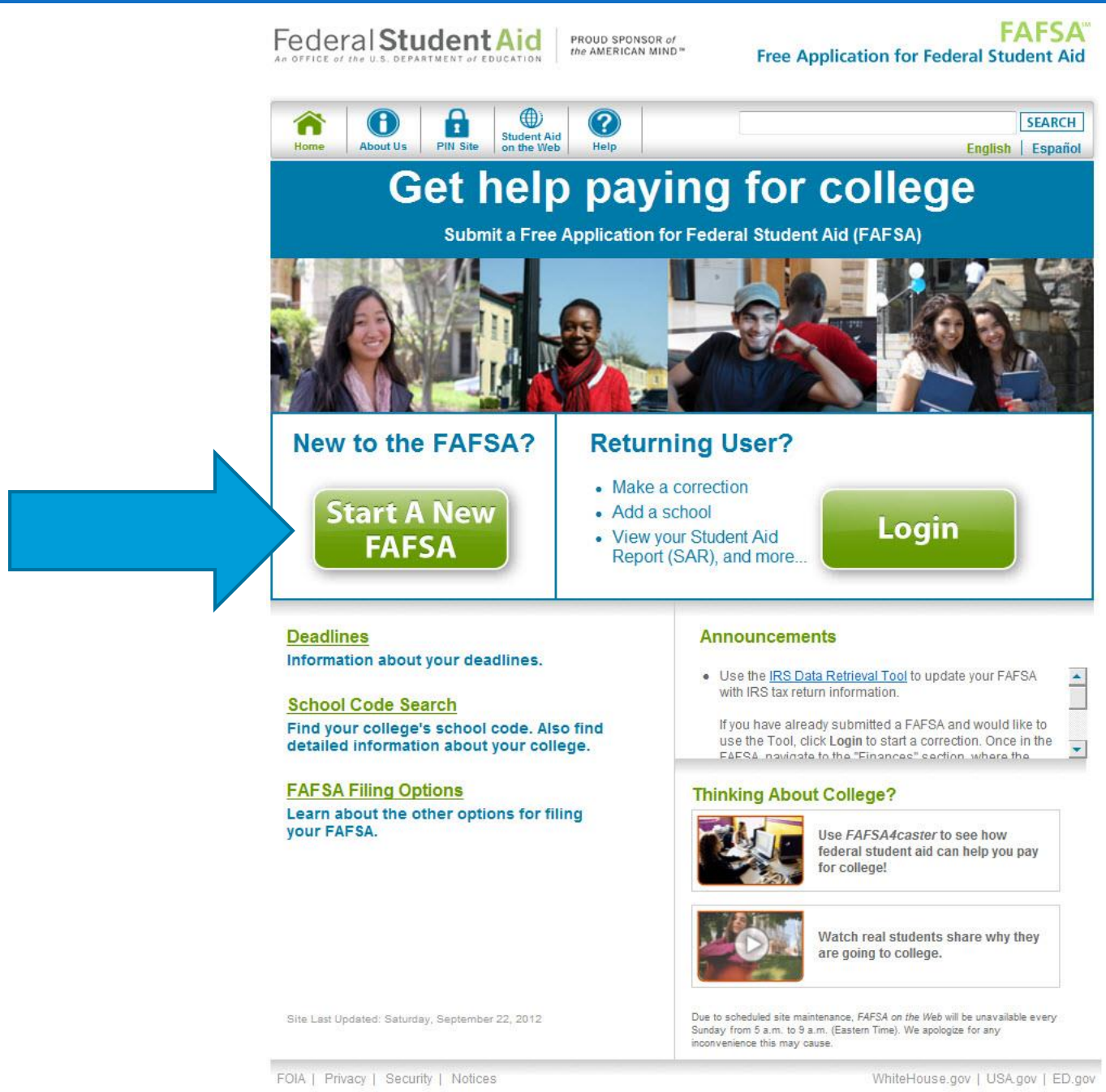


Drug Conviction Question

A student's eligibility for federal aid may be suspended if you have a conviction for violating federal or state drug possession or sale laws.

You may call 1-800-433-3243
or go to: www.fafsa.ed.gov to access the Drug Conviction Worksheet if you need help answering this question

Do NOT leave blank!


Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™
FAFSA℠
Free Application for Federal Student Aid
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
Deadlines
Information about your deadlines.
School Code Search
Find your college's school code. Also find detailed information about your college.
FAFSA Filing Options
Learn about the other options for filing your FAFSA.
Announcements
Use the IRS Data Retrieval Tool to update your FAFSA with IRS tax return information.
If you have already submitted a FAFSA and would like to use the Tool, click Login to start a correction. Once in the
Thinking About College?
Use FAFSA4caster to see how federal student aid can help you pay for college!
Watch real students share why they are going to college.
Site Last Updated: Saturday, September 22, 2012
Due to scheduled site maintenance, FAFSA on the Web will be unavailable every Sunday from 5 a.m. to 9 a.m. (Eastern Time). We apologize for any inconvenience this may cause.
FOIA | Privacy | Security | Notices
WhiteHouse.gov | USA.gov | ED.gov

Application Process

- Apply for a PIN (Personal Identification Number)
  - www.pin.ed.gov
- Submit the FREE Application for Federal Student Aid (FAFSA) prior to the school's deadline
  - www.fafsa.gov (NOT .com!!!)
  - Complete as soon after January 1st as possible!
- Submit any requested documents for Verification to the school(s)
- Submit any institutional application materials
- Finalize admissions
- Make sure to meet all deadlines!

What is the PIN?

- www.pin.ed.gov - Personal Identification Number
- Used to electronically sign FAFSA, but can also be used to:
  - Make corrections to a completed FAFSA
  - Sign-in to the National Student Loan Data System
  - Sign promissory notes for student/parent loans (Perkins, Federal Direct, PLUS)
- Student and at least one parent (if dependent) must get their own
- The PIN should never be shared.

www.pin.ed.gov

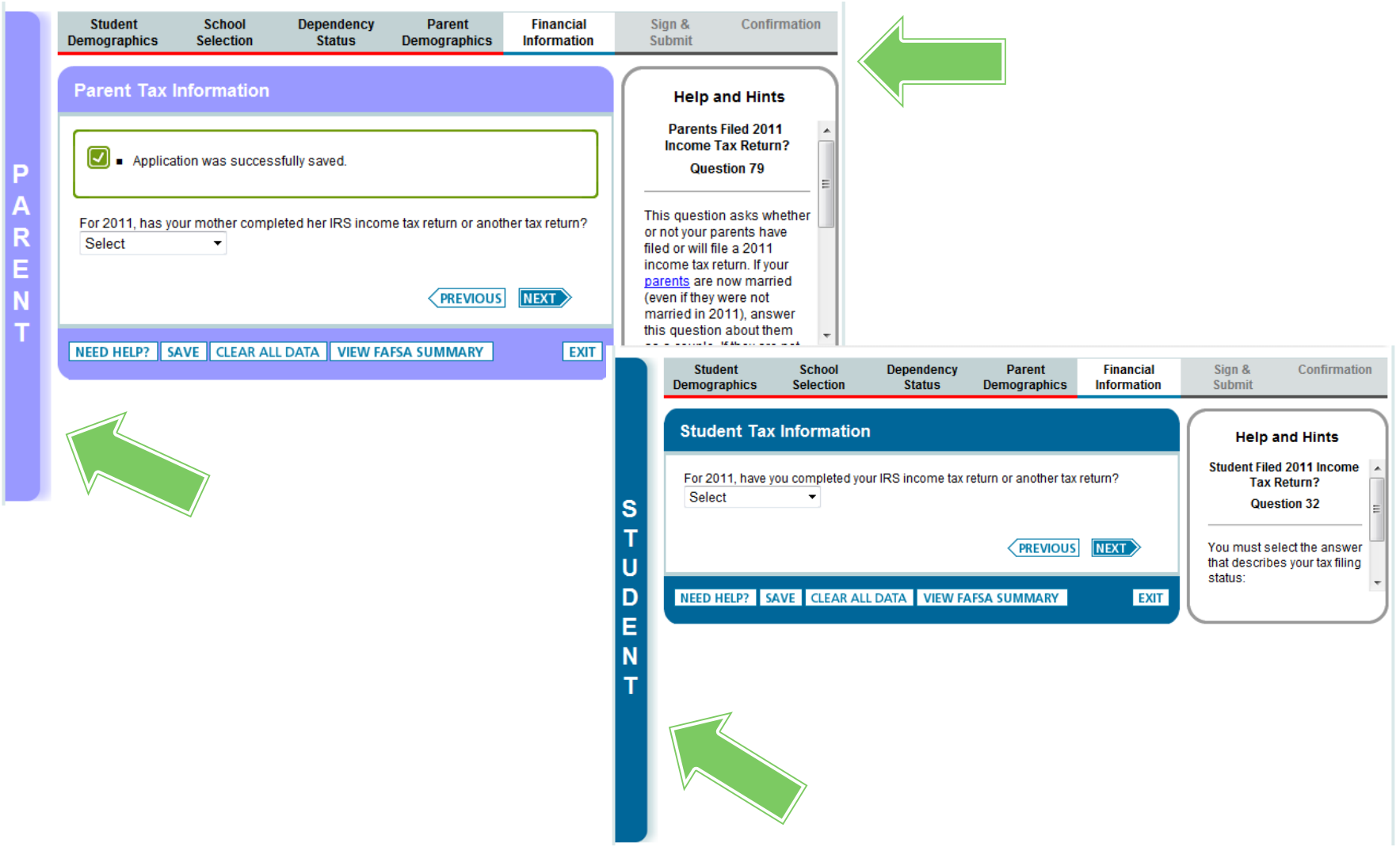
FAFSA Steps

- Student Demographics
- School Selection
- Dependency Status
- Parent Demographics
- Financial Information
- Sign & Submit!
- Confirmation

Documents to Have Ready

- Social Security number (Student and parents)
- Student's driver's license number (not required)
- Alien Registration Number if not a U.S. citizen
- Federal tax info or W-2 information, for student and parents
  - IRS 1040, 1040A, 1040EZ
  - Foreign tax return and/or
  - Tax return for Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federal States of Micronesia, or Palau
- Records of untaxed income for student and parents, such as child support received, *interest* income, and veterans non-education benefits
- Information on cash, savings and checking account balances, investments, business/farm assets if required to include

Student/Parent Sections



Frequent FAFSA Errors

- Missing Signatures/PIN
- Wrong Social Security Number
- Not using name as listed on Social Security Card
- Divorced/remarried parent information
- Incorrect reporting of earned income, untaxed income, or federal income taxes paid
- Listing parent financial information as student's or vice versa
- Household size/number in college
- Real estate and investment net worth/small business net worth
- Wrong state of residence; info won't go to HEAB
- NOT APPLYING AT ALL!

Dependency Questions

- Were you born before January 1, 1992
- As of today, are you married?
- At the beginning of the 2015/16 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)?
- Are you currently serving on active duty in the U.S. Armed Forces for purposes other than training?
- Are you a veteran of the U.S. Armed Forces?

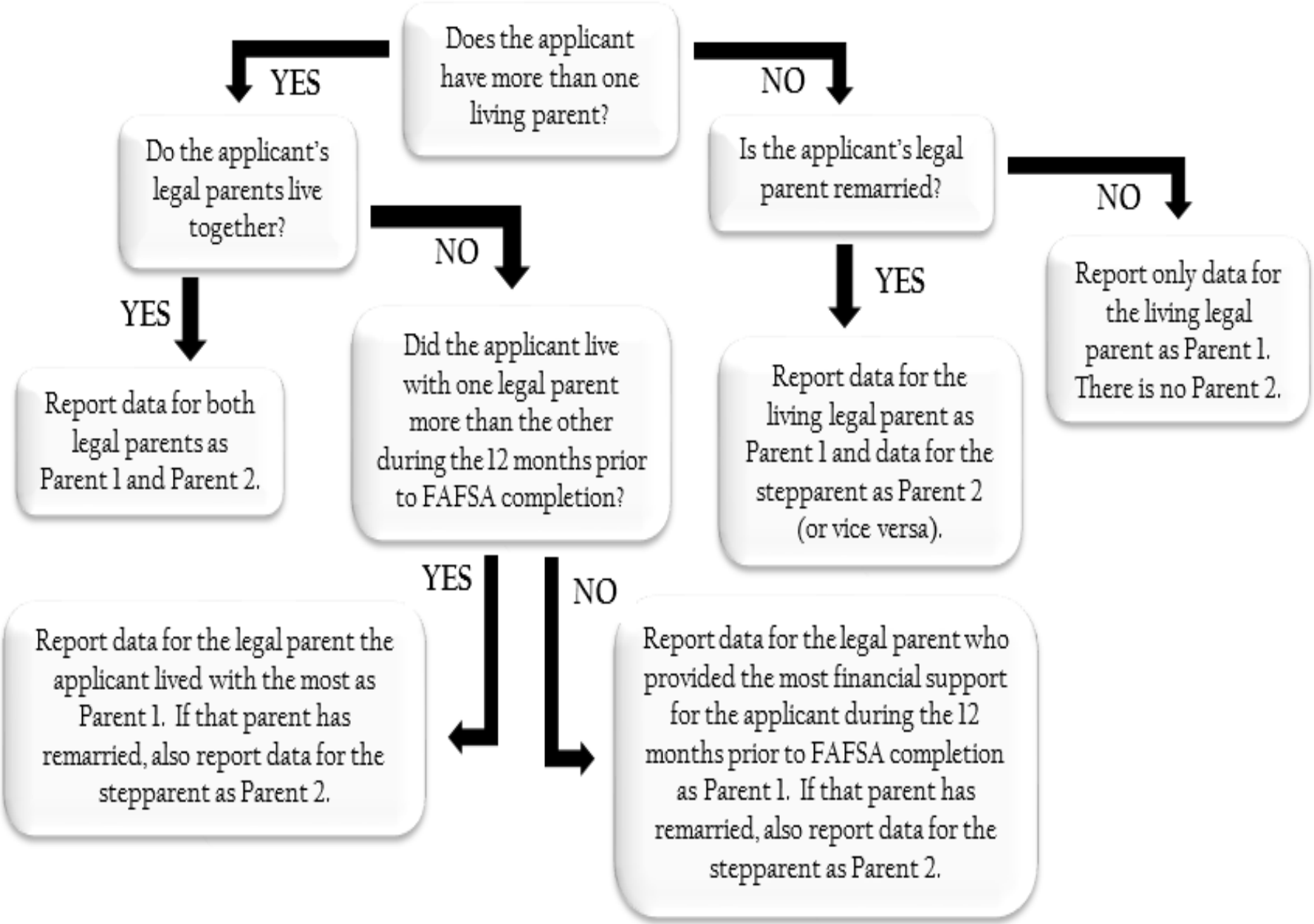
UPDATE!
Parents Explained

Beginning with the 14/15 FAFSA - Who is considered a parent?

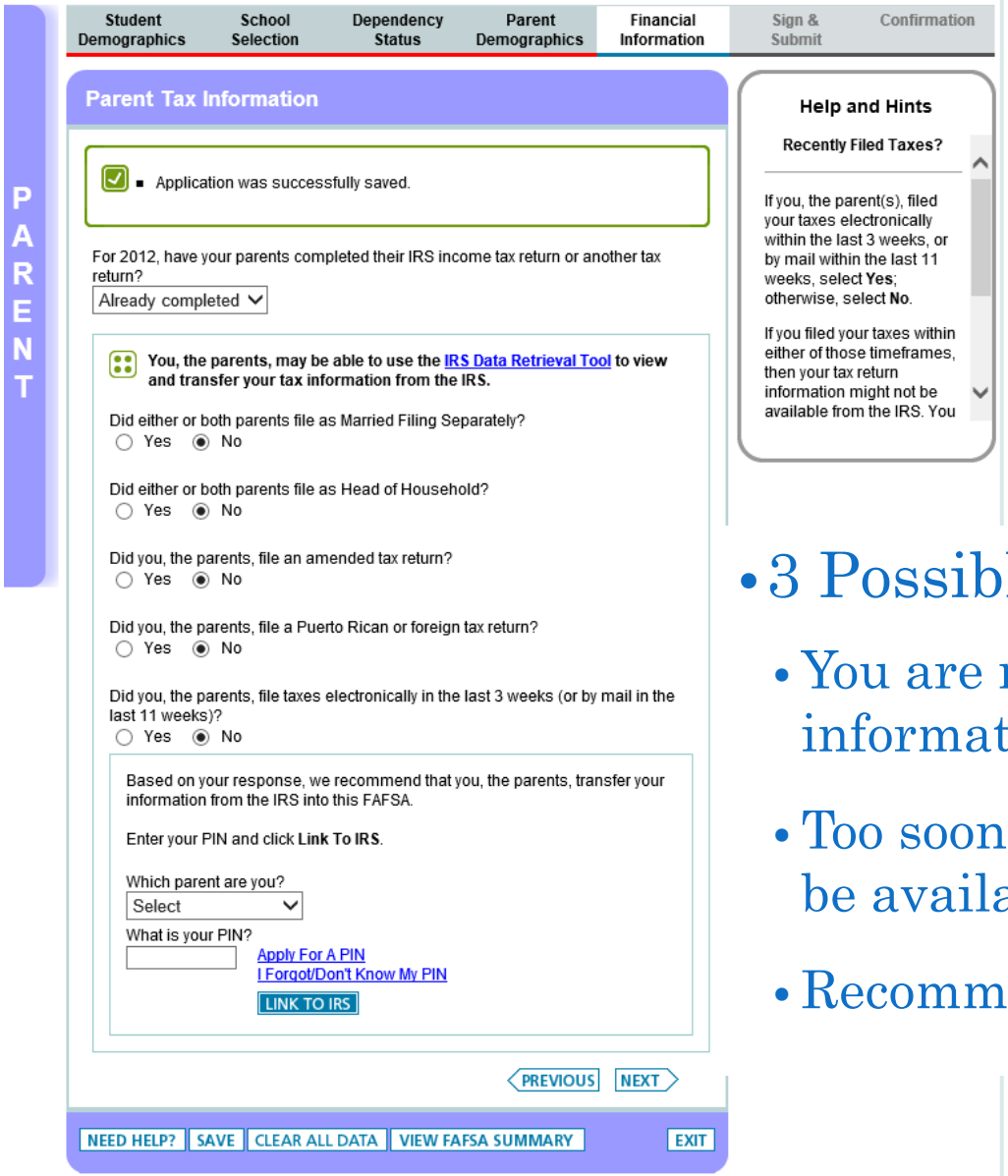
- Two biological or adoptive parents REGARDLESS of marital status OR gender, if those parents live together
  - Both parents information will be included on the FAFSA
- Divorced or Separated parents
  - Will use information for whichever is determined to be the custodial parent
- Step-parents
- Widowed parent
- Impact of DOMA?

Divorced/Separated Explained

- FAFSA needs to be completed using the parent with whom the student lived with more in the past 12 months.
- If they believe it's equal placement, then the student should give answers about the parent who provided more financial support during the past 12 months or during the most recent year that the student received support from a parent.
- If this parent has remarried, the step-parent information ***MUST*** be included on the FAFSA.
  - Step-parent income and assets represent significant info about the family's financial resources and help to form an accurate picture of the family's financial strength


Does the applicant have more than one living parent?
YES
Do the applicant's legal parents live together?
YES
Report data for both legal parents as Parent 1 and Parent 2.
NO
Did the applicant live with one legal parent more than the other during the 12 months prior to FAFSA completion?
YES
Report data for the legal parent the applicant lived with the most as Parent 1. If that parent has remarried, also report data for the stepparent as Parent 2.
NO
Report data for the legal parent who provided the most financial support for the applicant during the 12 months prior to FAFSA completion as Parent 1. If that parent has remarried, also report data for the stepparent as Parent 2.
NO
Is the applicant's legal parent remarried?
YES
Report data for the living legal parent as Parent 1 and data for the stepparent as Parent 2 (or vice versa).
NO
Report only data for the living legal parent as Parent 1. There is no Parent 2.

IRS Data Retrieval



- 3 Possible Responses
  - You are not eligible to transfer information
  - Too soon since taxes filed – may not be available
  - Recommend to try!

Assets - Explained

- Questions asked:
  - As of today, what is your total current balance of cash, savings, and checking accounts? Do not include student financial aid.
  - As of today, what is the net worth of your investments, including real estate? Don't include the home you live in.
  - As of today, what is the net worth of your current businesses and/or investment farms? Don't include a family farm or family business with 100 or fewer full-time employees or full-time equivalent employees.
- Net worth means current value minus debt

Assets - Explained

- Investments **INCLUDE**
  - real estate (but not the home you live in), trust funds, UGMA/UTMA accounts, money markets, mutual funds, stocks, bonds, other securities, installment and land sale contracts, etc
  - Qualified educational benefits or education saving accounts such as Coverdell savings accounts, **529 plans.**

Assets - Explained

- Investments **DO NOT INCLUDE**
  - The home you live in, the value of life insurance, retirement plans (401k's), pension funds, annuities, non-education IRAs, Keogh plans, etc

- Business and/or investment farm assets are **excluded** if
  - related family members own more than 51% of the business

    AND
  - It has less than 100 full-time or equivalent employees.

Untaxed Sources of Income

- Payments to tax-deferred pension or savings plans
- IRS deductions and payments to self-employed SEP, SIMPLE, Keogh, and other qualified plans
- Child support received for any children in the household
- Tax exempt interest
- Untaxed portions of IRA distributions
- Untaxed portions of pensions
- Housing, food, and other living allowances paid to members of the military, clergy, or others (including cash payments and cash value of benefits)
- Veterans non-educational benefits, such as disability, death pension, etc
- Other untaxed income such as workers' compensation, disability, etc

Timelines

- The PIN may be obtained any time prior to filling out the FAFSA
- FAFSA becomes available January 1st each year for the upcoming academic year.
  - 2015/16 FAFSA – available January 1, 2015
  - 2016/17 – available January 1, 2016
- **Check with schools for any institutional deadlines and requirements**
- Failure to apply early may result in less aid, even if otherwise eligible
- Students must renew their FAFSAs every year if they want to be considered for aid.

AFTER THE FAFSA

Verification

Special Circumstances/Professional Judgment

Comparing Offers/Net Price Calculators

Student Responsibility

Fraud

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION | PROUD SPONSOR of the AMERICAN MIND®

STUDENT AID REPORT 2015-2016

WWW.FAFSA.GOV

OMB No. 1845-0001

SUZANNE SMITH
742 EVERGREEN TERRACE
SPRINGFIELD, OH 55555

Dear SUZANNE SMITH,

Your Student Aid Report (SAR) summarizes the information you submitted on your 2015-16 Free Application for Federal Student Aid (FAFSA).

Application Status (review the checked boxes)

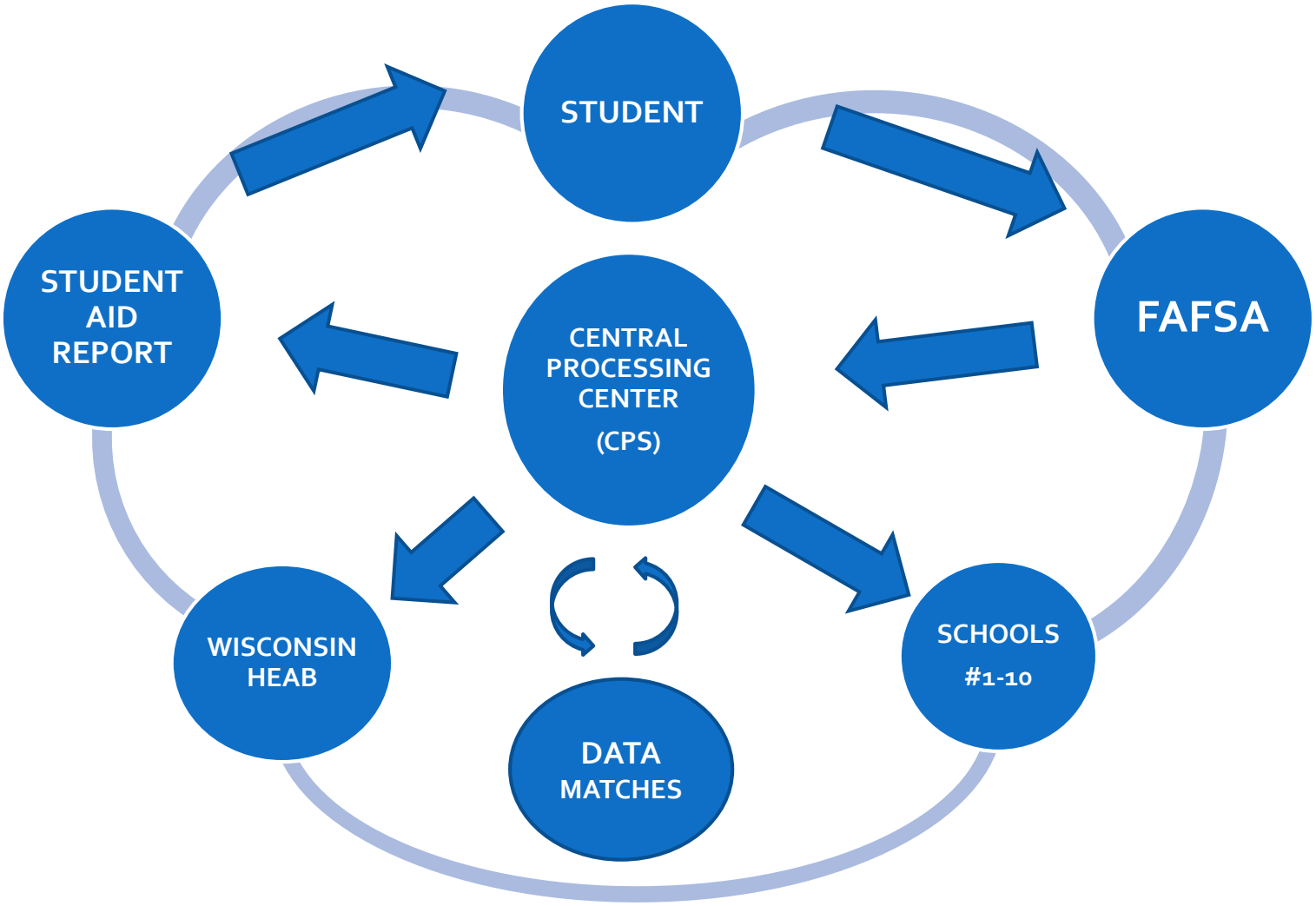
- ✓ Your FAFSA appears to be complete. **Review the data on pages 3 – 10 of your SAR and make corrections or updates if necessary.** The school(s) listed on your FAFSA will receive your information.
- ✓ Your FAFSA has been selected for verification. Verification is a process where your school confirms the data you reported on your FAFSA. Your school has the authority to contact you for documentation that supports income and other information that you reported on your FAFSA.

FAFSA Data

Assumed fields, based on the data you entered, are marked with an '*' (asterisk) sign.

1. Student's Last Name:	
2. Student's First Name:	KYLE
3. Student's Middle Initial:	G
4. Student's Permanent Mailing Address:	
5. Student's Permanent City:	MADISON
6. Student's Permanent State:	WI
7. Student's Permanent ZIP Code:	53719
8. Student's Social Security Number:	XXX-XX-4114
9. Student's Date of Birth:	05/25/1990
10. Student's Permanent Home Phone Number:	
11. Student's Driver's License Number:	
12. Student's Driver's License State:	
13. Student's E-mail Address:	@hotmail.com
14. Student's Citizenship Status:	YES, I AM A U.S. CITIZEN (OR U.S. NATIONAL)
15. Student's Alien Registration Number:	
16. Student's Marital Status:	I AM SINGLE
17. Student's Marital Status Date:	
18. Student's State of Legal Residence:	WI
19. Was Student a Legal Resident Before January 1, 2008?	YES
20. Student's Legal Residence Date:	
21. Is the Student Male or Female?	MALE
22. Register Student With Selective Service?	
23. Drug Conviction Affecting Eligibility?	ELIGIBLE FOR AID
24. Father's Educational Level:	OTHER/UNKNOWN
25. Mother's Educational Level:	OTHER/UNKNOWN
26. High School or Equivalent Completed?	HIGH SCHOOL DIPLOMA
27a. Student's High School Name:	NATHAN HALE HIGH
27b. Student's High School City:	WEST ALLIS
27c. Student's High School State:	WI
28. First Bachelor's Degree by July 1, 2013?	NO
29. Student's Grade Level in College in 2013-2014:	4TH YR./SENIOR
30. Type of Degree/Certificate:	1ST BACHELOR'S DEGREE
31. Interested in Work-study?	YES
32. Student Filed 2012 Income Tax Return?	ALREADY COMPLETED
33. Student's Type of 2012 Tax Form Used:	IRS 1040A OR 1040EZ
34. Student Eligible to File a 1040A or 1040EZ?	
35. Student's 2012 Adjusted Gross Income:	$10,469
36. Student's 2012 U.S. Income Tax Paid:	$0
37. Student's 2012 Exemptions Claimed:	1
38. Student's 2012 Income Earned from Work:	$10,432
39. Spouse's 2012 Income Earned from Work:	
40. Student's Total of Cash, Savings, and Checking Accounts:	$711
41. Student's Net Worth of Current Investments:	$0
42. Student's Net Worth of Businesses/Investment Farms:	$0
43a. Student's Education Credits:	$71
43b. Student's Child Support Paid:	$0
43c. Student's Taxable Earnings from Need-Based Employment Programs:	$10,432
43d. Student's Grant and Scholarship Aid Reported in AGI:	
43e. Student's Taxable Combat Pay Reported in AGI:	$0
43f. Student's Cooperative Education Earnings:	$0
44a. Student's Payments to Tax-Deferred Pensions & Savings:	$0
44b. Student's Deductible Payments to IRA/Keogh/Other:	$0

FAFSA Processing Flowchart



Verification

- Process whereby certain information provided on the FAFSA is reviewed for accuracy and completeness
- CPS selects applicants, but school may also choose to verify additional applicants
- How do they select?
  - At random
  - If they indicated they received SNAP benefits or paid out child support
- The college/university will be the one to request documentation and complete verification

Tax Return Transcript

- Request from the IRS
  - Online www.irs.gov/transcript
    - **NEW!!** Immediate display via .pdf file. Can view, print, or save!
  - IRS2Go App - Available for Android or iOS devices
  - By phone 1-800-908-9946
  - Complete and submit IRS Form 4056-Tez
- Taxes filed electronically will take about 3 – 4 weeks before available, paper taxes take about 6 – 8 weeks
- Can no longer accept copies of the 1040.

Tax Return Transcript

You can download and print your transcript immediately or request the transcript be mailed to your address on record.

Get Transcript ONLINE

- View and print your transcript immediately. *
- Choose among Tax Return, Tax Account, Record of Account, or Wage and Income transcripts or a Verification of Nonfiling Letter.
- More information about Get Transcript Online.

Get Transcript by MAIL

- Transcripts arrive in 5 to 10 calendar days.
- Choose from either a Tax Return or Tax Account.
- Transcript by Mail is available en Español.

Special Circumstances

Always contact the Financial Aid Office

- Divorce/Separation after the FAFSA was filed
- Loss of income/benefits
- One-time income
- Death or disability of student or parent
- Medical/Dental expenses not covered by insurance
- Elementary or Secondary School tuition
- Dependency Override

Professional Judgment or use of special circumstances is at the sole discretion of the specific institution

Comparing Aid Offers

- Start with tuition, fees, room, and board
- Subtract any grant and scholarship offers first
- The difference is the “net cost”
- Always compare the NET COST of each school
- Do not subtract Work Study as a lump sum disbursement because students are paid based on the number of hours worked
- Do not subtract loans as the student will eventually be paying for those

Student Responsibility

The Student	• Files the FAFSA • Is selected for verification • Receives an award notification • Is responsible for notifying FAO of outside scholarships
The Student	• Accepts/Declines aid offer • Signs the Master Promissory Note for Federal Loans • Completes Loan Entrance Counseling
The Student	• Is responsible for their bill with the institution • Is responsible for their student loans • May choose to share information with their parent, or others

Resources – College Goal Wisconsin!

- Free program to help families complete the FAFSA
- Every Saturday in February 2015!
  - February 7, 14, 21, and 28
  - Begins at 2 pm
- Wednesday, February 25th
  - Begins at 6 pm
- Various sites including 10 high schools, 10 technical colleges, 7 UW campuses, 4 private colleges, one library, and one reservation!

For location information:

visit www.collegegoalwi.org

or call 1-866-578-4625

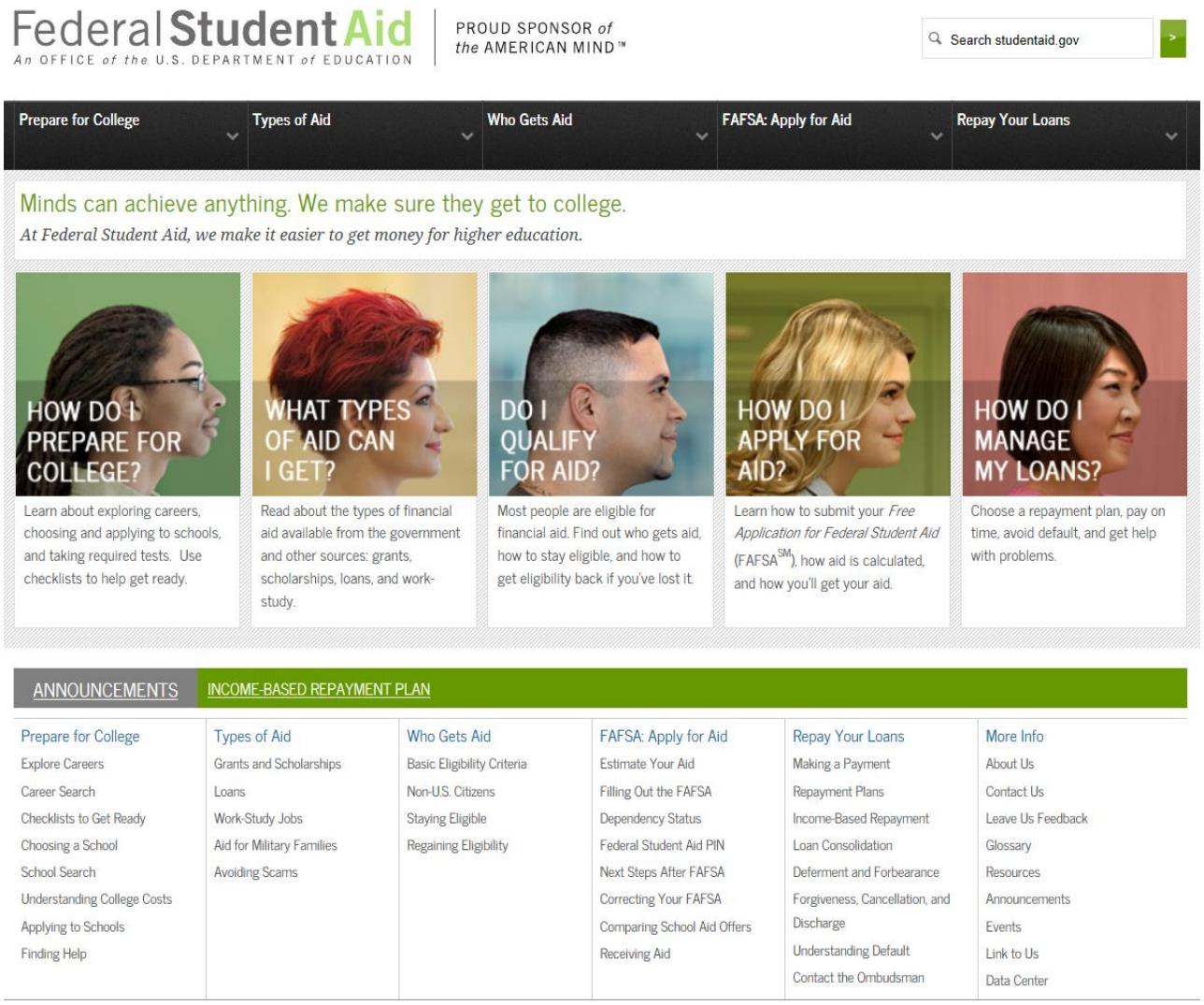
Resources – College Goal Wisconsin!

<u>Eau Claire</u>
Chippewa Valley Technical College
620 W. Clairemont Ave
(Business Ed Center)

Saturday, February 28th
beginning at 2 pm

Resources – Federal Student Aid

www.studentaid.ed.gov



Resources – YouTube!

7 easy steps to FAFSA

- http://www.finaid.ucsb.edu/

QUESTIONS?

8 THINGS YOU NEVER THOUGHT TO ASK ABOUT FINANCIAL AID

1.

A new FAFSA must be filed EVERY year (they become available January 1st for the following academic year).

2.

A student must be enrolled at least half-time to receive financial aid.

At least 6 credits for Undergrads.

At least 4 credits for Grads

3.

Even if no one claims you on their taxes, it does not make you independent for financial aid purposes.

The Department of Education has strict rules for determining a student's dependency status.

4.

Tuition is the same if you take 12-18 credits; therefore, you get the same amount of financial aid if you were to take 12 or 18 credits.

5.

If you are considering dropping below half-time or withdrawing completely, be sure to ask the Financial Aid office about any negative aid implications, such as having to repay aid.

6.

Before accessing a private, alternative loan you may want to contact the Financial Aid office to be assured that you have exhausted all other lower cost options.

7.

If you receive a subsidized Ford Loan, you are not responsible for the interest until the day you graduate or drop below half-time.

8.

If you receive an unsubsidized Ford Loan, although you don't need to be making payments while in school, you will be responsible for the interest that has accrued when you go into repayment.

SOME OF YOUR QUESTIONS

We're here to help you!!

- What if a student doesn't qualify for enough?
  - Families ***shouldn't*** assume that they'll receive enough aid to cover all costs to begin with
  - Is there a cheaper school the student could go to where the aid covers more?
  - Be prepared to use alternative sources like private loans

- If a student lives with their parents 50/50, can they use the parent with the lower income?
  - No. FAFSA instructions state just the opposite. If student doesn't reside w/ one parent more than the other (remember, 365 days in a year), then they are required to use the parent that provided ***MORE*** financial support (typically the higher earning parent)

- Can the student use the non-custodial parent in a divorce situation if he/she has the lower income?
  - No. FAFSA instructions are clear – see above.

- Can families hide assets?
  - Sure, but its called fraud.
  - They are signing a FEDERAL document stating the information is true and complete and students/parents can be fined up to $20,000, sent to prison, or both if the information is found to be false or misleading.

- When should students *actually* have their FAFSA completed by?
  - Every school will probably give you a different answer, which means, the student should check with each school they're applying to for their deadlines or recommendations
  - Students should also check for deadlines on scholarships or other funding that may require a FAFSA to be submitted

QUESTIONS?

8 THINGS YOU NEVER THOUGHT TO ASK ABOUT FINANCIAL AID

1.

A new FAFSA must be filed EVERY year (they become available January 1st for the following academic year).

2.

A student must be enrolled at least half-time to receive financial aid.

At least 6 credits for Undergrads.

At least 4 credits for Grads

3.

Even if no one claims you on their taxes, it does not make you independent for financial aid purposes.

The Department of Education has strict rules for determining a student's dependency status.

4.

Tuition is the same if you take 12-18 credits; therefore, you get the same amount of financial aid if you were to take 12 or 18 credits.

5.

If you are considering dropping below half-time or withdrawing completely, be sure to ask the Financial Aid office about any negative aid implications, such as having to repay aid.

6.

Before accessing a private, alternative loan you may want to contact the Financial Aid office to be assured that you have exhausted all other lower cost options.

7.

If you receive a subsidized Ford Loan, you are not responsible for the interest until the day you graduate or drop below half-time.

8.

If you receive an unsubsidized Ford Loan, although you don't need to be making payments while in school, you will be responsible for the interest that has accrued when you go into repayment.

SOME OF YOUR QUESTIONS

We're here to help you!!

- What if a student doesn't qualify for enough?
  - Families ***shouldn't*** assume that they'll receive enough aid to cover all costs to begin with
  - Is there a cheaper school the student could go to where the aid covers more?
  - Be prepared to use alternative sources like private loans

- If a student lives with their parents 50/50, can they use the parent with the lower income?
  - No. FAFSA instructions state just the opposite. If student doesn't reside w/ one parent more than the other (remember, 365 days in a year), then they are required to use the parent that provided ***MORE*** financial support (typically the higher earning parent)

- Can the student use the non-custodial parent in a divorce situation if he/she has the lower income?
  - No. FAFSA instructions are clear – see above.

- Can families hide assets?
  - Sure, but its called fraud.
  - They are signing a FEDERAL document stating the information is true and complete and students/parents can be fined up to $20,000, sent to prison, or both if the information is found to be false or misleading.

- When should students *actually* have their FAFSA completed by?
  - Every school will probably give you a different answer, which means, the student should check with each school they're applying to for their deadlines or recommendations
  - Students should also check for deadlines on scholarships or other funding that may require a FAFSA to be submitted