

National Association of Student
Financial Aid Administrators

What You Need to Know About Financial Aid

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Topics We Will Discuss Tonight

- What is financial aid
- Cost of attendance (COA)
- Expected Family Contribution (EFC)
- What is financial need
- Categories, types, and sources of financial aid
- Free Application for Federal Student Aid (FAFSA)
- Special circumstances

What is Financial Aid?

Financial aid is funds provided to students and families to help pay for postsecondary educational expenses

What is Cost of Attendance (COA)

- Direct costs
- Indirect costs
- Direct and indirect costs combined into cost of attendance
- Varies widely from college to college

What is the Expected Family Contribution (EFC)

- Amount family can reasonably be expected to contribute
- Stays the same regardless of college
- Two components
 - Parent contribution
 - Student contribution
- Calculated using data from a federal application form and a federal formula

What is Financial Need

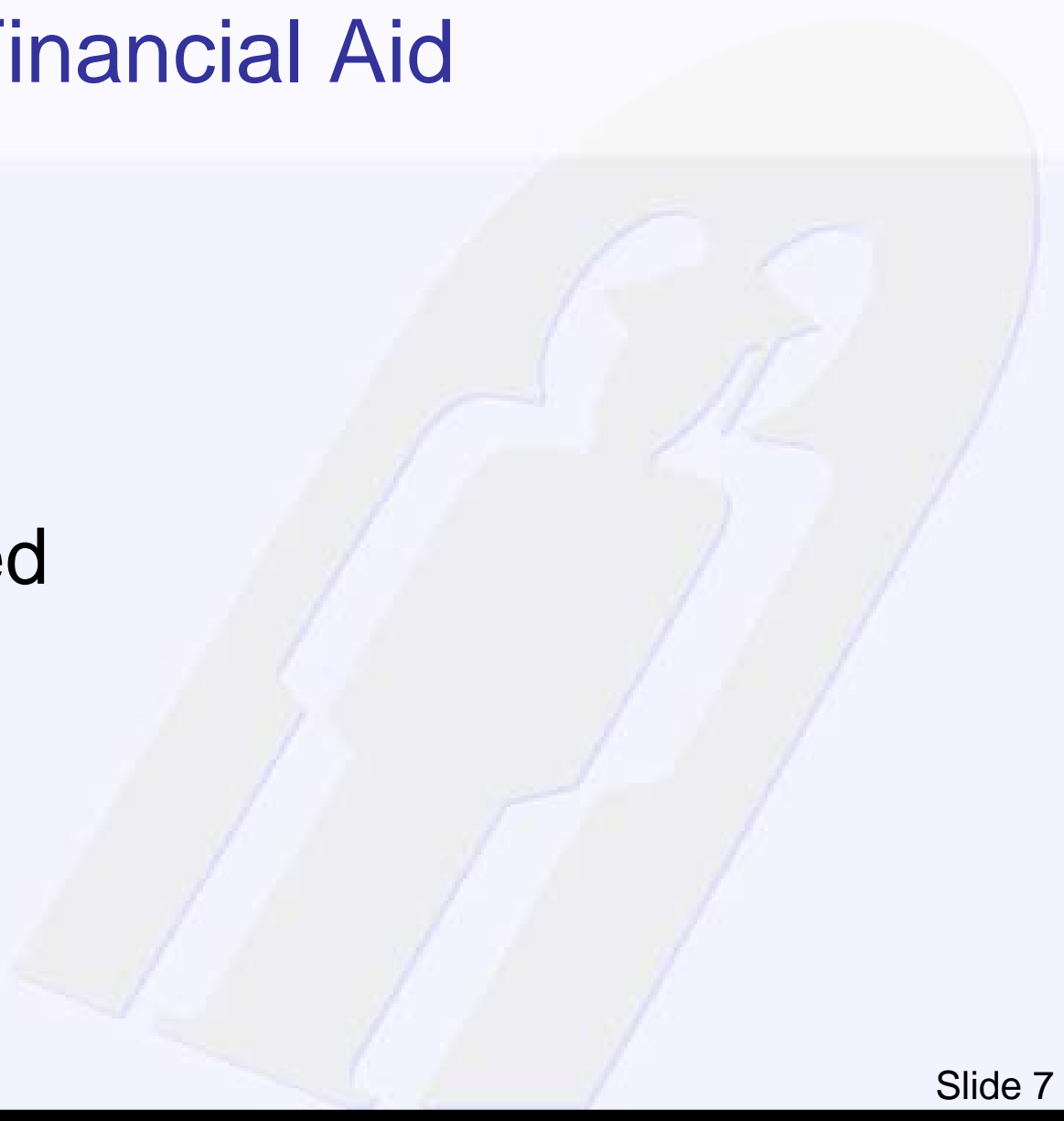
Cost of Attendance

– Expected Family Contribution

= Financial Need

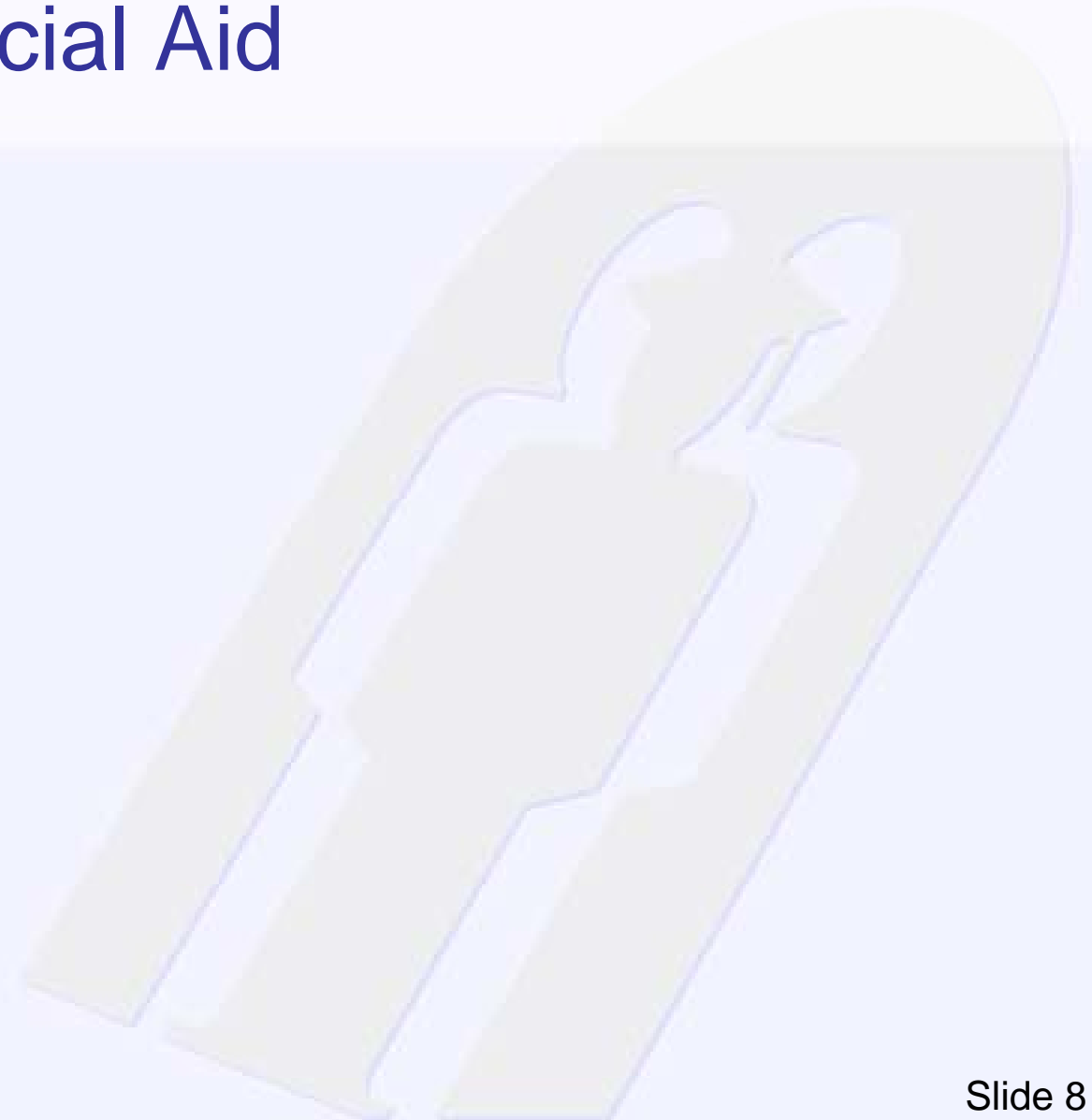
Categories of Financial Aid

- Need-based
- Non need-based



Types of Financial Aid

- Scholarships
- Grants
- Loans
- Employment



Scholarships/Grants

- Money that does not have to be paid back
- Awarded on the basis of merit, skill, or unique characteristic
- Also can be awarded based on the need calculation

Loans

- Money students and parents borrow to help pay college expenses
- Repayment usually begins after education is finished
- Only borrow what is really needed
- Look at loans as an investment in the future

Employment

Allows student to earn money to help pay educational costs

- A paycheck
- Non-monetary compensation, such as room and board

Sources of Financial Aid

- Federal government
- States
- Private sources
- Civic organizations and churches
- Employers

Federal Government

- Largest source of financial aid
- Aid awarded primarily on the basis of financial need
- Must apply every year using the Free Application for Federal Student Aid (FAFSA)

Common Federal Aid Programs

- Federal Pell Grant
- Teacher Education Assistance for College and Higher Education Grant
- Federal Supplemental Educational Opportunity Grant
- Federal Perkins Loan
- Federal Work-Study
- Federal Direct Loans
- Federal PLUS Loans

States

- Residency requirements
- Award aid on the basis of both merit and need
- Use information from the FAFSA
- Deadlines vary by state; **INDIANA
Deadline March 10 received by date!**

Private Sources

- Foundations, businesses, charitable organizations
- Deadlines and application procedures vary widely
- Begin researching private aid sources early

Free Application for Federal Student Aid (FAFSA)

- A standard form that collects demographic and financial information about the student and family
- May be filed electronically or using paper form
 - Available in English and Spanish

FAFSA

- Information used to calculate the Expected Family Contribution or EFC
 - The amount of money a student and his or her family may reasonably be expected to contribute towards the cost of the student's education for an academic year
- Colleges use EFC to award financial aid

FAFSA

- May be filed at any time during an academic year, but no earlier than the January 1st prior to the academic year for which the student requests aid
- For the 2012-13 academic year, the FAFSA may be filed beginning January 1, 2012
- Colleges may set FAFSA filing deadlines

FAFSA on the Web



FAFSA[®]
Free Application for Federal Student Aid



- Website: www.fafsa.gov
- 2012–13 FAFSA on the Web available on January 1, 2012
- FAFSA on the Web Worksheet:
 - Used as “pre-application” worksheet
 - Questions follow order of FAFSA on the Web

FAFSA on the Web

Good reasons to file electronically:

- Built-in edits to prevent costly errors
- Skip-logic allows student and/or parent to skip unnecessary questions
- More timely submission of original application and any necessary corrections
- More detailed instructions and “help” for common questions
- Ability to check application status on-line
- Simplified application process in the future

IRS Data Retrieval

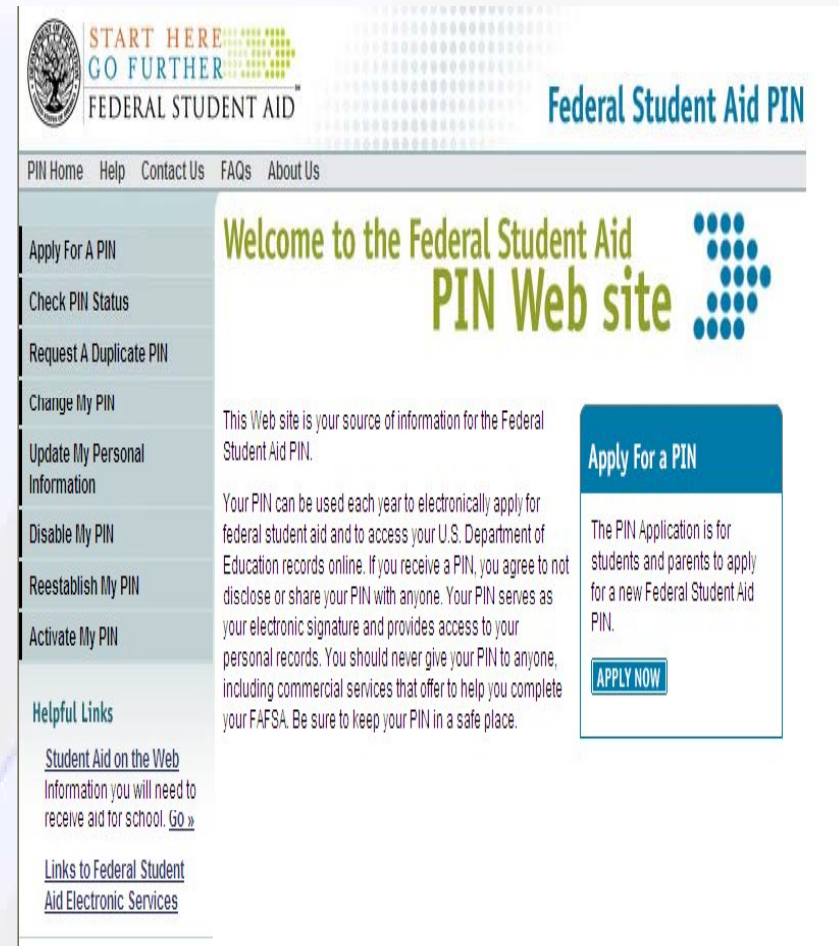
- While completing FOTW, applicant may submit real-time request to IRS for tax data
- IRS will authenticate taxpayer's identity
- If match found, IRS sends real-time results to applicant in new window
- Applicant chooses whether or not to transfer data to FOTW

IRS Data Retrieval

- Available February 2012 for 2012-13 processing cycle
- Participation is voluntary
- Reduces documents requested by financial aid office
- Not available to applicants with a recent change in marital status

Federal Student Aid Personal Identification Number (FSA PIN)

- Website: www.pin.ed.gov
- Sign FAFSA electronically
- Not required, but speeds processing
- May be used by students and parents throughout aid process, including subsequent school years



The screenshot shows the homepage of the Federal Student Aid PIN website. At the top left is the logo with the text "START HERE GO FURTHER FEDERAL STUDENT AID". To the right is the title "Federal Student Aid PIN". Below the title is a navigation menu with links for "PIN Home", "Help", "Contact Us", "FAQs", and "About Us". The main content area features a large heading "Welcome to the Federal Student Aid PIN Web site" with a decorative graphic of blue dots. A sidebar on the left contains a list of actions: "Apply For A PIN", "Check PIN Status", "Request A Duplicate PIN", "Change My PIN", "Update My Personal Information", "Disable My PIN", "Reestablish My PIN", and "Activate My PIN". Below this is a "Helpful Links" section with links to "Student Aid on the Web" and "Links to Federal Student Aid Electronic Services". On the right side, there is a blue box titled "Apply for a PIN" with the text "The PIN Application is for students and parents to apply for a new Federal Student Aid PIN." and a prominent "APPLY NOW" button.

Deadlines Search Function

The screenshot shows the FAFSA website's "Student Aid Deadlines" search function. At the top left is the Department of Education logo and the slogan "START HERE GO FURTHER FEDERAL STUDENT AID™". To the right is the "FAFSA. Free Application for Federal Student Aid" logo. Below this is a navigation bar with icons for Home, About Us, Student Aid on the Web, PIN Site, Contact Us, and Browse Help, followed by a search box. The main content area has a blue header "Student Aid Deadlines" and a white box containing the following text: "Pay attention to the deadlines! There are federal and state deadlines, and your colleges may also have a deadline. Enter your state of legal residence and the school year for which you are applying for student aid. Then click **View Deadlines**." Below the text are two dropdown menus: "What is your state of legal residence?" with "California" selected, and "For what school year are you applying for student aid?" with "2011-2012" selected. A "VIEW DEADLINES" button is positioned below the second dropdown. At the bottom of the white box is a blue bar with a "NEED HELP?" link.

Deadlines Search Results

- Year specific
- Federal deadline for initial FAFSA submission and FAFSA corrections
- State specific deadline
- Standard message for college deadline

Home About Us Student Aid on the Web PIN Site Contact Us Browse Help SEARCH

Student Aid Deadlines

Pay attention to the deadlines! There are federal and state deadlines, and your colleges may also have a deadline.

Enter your state of legal residence and the school year for which you are applying for student aid. Then click **View Deadlines**.

What is your state of legal residence? Delaware

For what school year are you applying for student aid? 2011-2012

[VIEW DEADLINES](#)

2011-2012 [2011-2012 Deadlines](#)
Includes deadlines for all states.

Federal Deadline
Online applications must be submitted by midnight Central Daylight Time, June 30, 2012.
Any corrections or updates must be submitted by midnight Central Daylight Time, September 15, 2012.

State Deadline
Delaware - April 15, 2011 by midnight, Central Daylight Time.

College Deadline
Check with the college(s) you are interested in attending. You may also want to ask your college about their definition of an application deadline - whether it is the date they receive your FAFSA, or the date your FAFSA is processed.

[NEED HELP?](#)

Help and Hints

For what school year are you applying for student aid?

Select the school year for which you are applying for financial aid. The school year you select should correspond to the FAFSA that you are completing. For example, if you plan to attend college between July 1, 2011 and June 30, 2012,

FAFSA Filing Options

Provides the three student options for applying including the PDF FAFSA.

The screenshot shows the top navigation bar of the NASFAA website with icons for Home, About Us, Student Aid on the Web, PIN Site, Contact Us, and Browse Help, along with a search box. The main content area is titled "FAFSA Filing Options" and contains the following text:

You may choose any of these three methods to file a *Free Application for Federal Student Aid (FAFSA)*:

- [Login](#) to apply online (Recommended) or
- [Complete a PDF FAFSA](#) (Note: PDF FAFSAs must be mailed for processing) or
- Request a paper FAFSA by calling us at 1-800-4-FED-AID (1-800-433-3243) or 319-337-5665. If you are hearing impaired, please contact the TTY line at 1-800-730-8913.

Complete a PDF FAFSA

Select the school year for which you are applying for financial aid. For example, if you plan to attend college between July 1, 2011 and June 30, 2012, click **The 2011-2012 School Year (July 1, 2011 – June 30, 2012)**. If you plan to attend college between July 1, 2010 and June 30, 2011, click the other link. If you are applying for a summer session, check with your college to verify which application you should complete.

The PDF FAFSA is available for you to print and fill out manually or is screen-fillable. Screen-fillable means you can enter your data on the screen before printing. Please note that if you choose this option you will not be able to save your data to your PC.

[The 2011-2012 School Year \(July 1, 2011 - June 30, 2012\)](#)

[The 2010-2011 School Year \(July 1, 2010 – June 30, 2011\)](#)

NEED HELP?




Contact Us

Customer service options include Live Help, a toll-free number, and e-mail.

Contact Us

We are here to help. The Federal Student Aid Information Center can answer your questions. Contact us using any of the options below.

You can also [Browse Help](#) to find answers to your questions online.

	<p>FAFSA on the Web - Live Help</p> <p>Live Help is a secure online chat session where you can ask our customer service representatives a question.</p> <p>LIVE HELP</p>	<p>Monday through Friday: 8:00 a.m. - 11:59 p.m. (Eastern Time)</p> <p>Saturdays: 9:00 a.m. - 6:00 p.m. (Eastern Time)</p> <p>Not available on Sundays and federal holidays.</p>
	<p>Call Us</p> <p>You can call us at 1-800-4-FED-AID (1-800-433-3243) or 319-337-5665.</p> <p>If you are hearing impaired call the TTY line at 1-800-730-8913.</p>	<p>Monday through Friday: 8:00 a.m. - 11:59 p.m. (Eastern Time)</p> <p>Saturdays: 9:00 a.m. - 6:00 p.m. (Eastern Time)</p> <p>Not available on Sundays and federal holidays.</p> <p><i>You can use our automated telephone services to get recorded information and conduct some business 24 hours a day.</i></p>
	<p>E-mail Us</p> <p>Use the online form to ask your question, send us your comments, or alert us to a technical issue you are having. One of our customer service representatives will reply back via e-mail. Or, if you prefer, you can e-mail us at FederalStudentAidCustomerService@ed.gov</p> <p>E-MAIL US</p>	<p>You can e-mail us anytime. We'll respond within one day, except for Sundays and federal holidays.</p>

FAFSA on the Web Worksheet



2012–13 FAFSA on the Web Worksheet—
4-page booklet containing:

- Instructions
- 22 questions in 4 sections

FOTW Worksheet: Section 1

General student information:

- Social Security Number
- Citizenship status
- Drug convictions
- Selective Service registration

FOTW Worksheet: Section 2

Student's dependency status:

- If all “No” responses, student is dependent
- If “Yes” to any question, student is independent

FOTW Worksheet: Section 3

Data for parents of dependent students:

- Dislocated worker status

FOTW Worksheet: Section 3

Information about the parents of dependent students:

- Tax, income, and other financial information
- Dislocated worker status
- Assets

FOTW Worksheet: Section 4

Information about the student (and spouse):

- Tax, income, and other financial information
- Dislocated worker status
- Assets

Additional Information

- College and housing information

Data Element Changes

High School Completed

- New Question
- Regulatory Mandate
- Students who indicate they received a high school diploma will be asked to provide the name of the high school they attended

Work-Study

- Revision to work-study and student loan question (Q31)
- Departmental Guidance
- Students will be asked to indicate their interest in work-study

Signatures

- Required
 - Student
 - One parent (dependent students)
- Format
 - Electronic using PIN
 - Signature page
 - Paper FAFSA

Parent PLUS Loan

- In 2011-2012, a student must file a FAFSA to receive a Parent PLUS loan
 - 98% of students whose parents receive a PLUS loan already file, so not a significant change
 - Intended to ensure that database matches are being conducted

Frequent FAFSA Errors

- Social Security Numbers
- Divorced/remarried parental information
- Income earned by parents/stepparents
- Untaxed income
- U.S. income taxes paid
- Household size
- Number of household members in college
- Real estate and investment net worth

FAFSA Processing Results

Central Processing System (CPS) notifies student of FAFSA processing results by:

- Paper Student Aid Report (SAR) if paper FAFSA was filed and student's e-mail address was not provided
- SAR Acknowledgment if filed FAFSA on the Web and student's e-mail address was not provided

FAFSA Processing Results

- CPS notifies student of FAFSA processing results by:
 - E-mail notification containing a direct link to student's on-line SAR if student's e-mail was provided on paper or electronic FAFSA
- Student with PIN may view SAR on-line at www.fafsa.ed.gov

FAFSA Processing Results

- Institutional Student Information Record (ISIR) sent to colleges listed on FAFSA approximately 10 to 14 days after FAFSA submitted
- College reviews ISIR
 - May request additional documentation, such as copies of federal tax returns

Student Aid Report

- Review data for accuracy
- Update estimated information when actual figures are available

Making Corrections

If necessary, corrections to FAFSA data may be made by:

- Using FAFSA on the Web (www.fafsa.ed.gov) if student has a PIN;
- Updating paper SAR (SAR Information Acknowledgment cannot be used to make corrections); or
- Submitting documentation to college's financial aid office

Special Circumstances

- Cannot report on FAFSA
- Send explanation to financial aid office at each college

Special Circumstances

College reviews special circumstances

- Request additional documentation
- Decisions are final and cannot be appealed to U.S. Department of Education

Special Circumstances

- Change in employment status
- Medical expenses not covered by insurance
- Change in parent marital status
- Unusual dependent care expenses
- Student cannot obtain parent information

State Information

- State Student Assistance Commission of Indiana (SSACI)
- <http://www.ai.org/ssaci>
- 317-232-2350
- 150 West Market Street, Suite 500, Indianapolis, IN 46204
- eStudent - <http://www.ai.org/ssaci/2438.htm>



NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS