Navigating the Financial Aid Process

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- Timeline and deadlines
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- Federal student aid website
- FAFSA Overview
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- Common mistakes made on the FAFSA

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Timeline and Deadlines

Fall of Senior Year

- **<u>August:</u>** Apply for admission to the schools of your choice.
- **<u>October 1:</u>** Free Application for Federal Student Aid (FAFSA) opens
- **<u>October – November:</u>** Schools listed on the FAFSA receive data and begin to process information
  - Many schools will send a preliminary financial aid offer
- Review each school's scholarship deadlines
  - Spreadsheet or calendar is very helpful

Spring of Senior Year

- **<u>January:</u>** submit any necessary scholarship applications
  - January 15 is a popular deadline for competitive scholarships
- **<u>February – March:</u>** schools begin sending official financial aid offer letters
- Review each school's deposit policies
  - Deadlines for enrollment and housing deposits
- **<u>May 1:</u>** Finalize decision
  - This is a common decision deadline for many schools*

  *During the pandemic, a shift toward June 1 has occurred.

Federal Student Aid

United States Department of Education, Office of Federal Student Aid

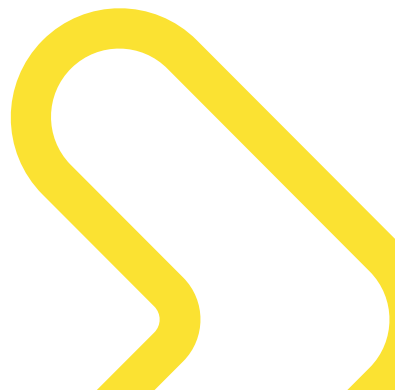# Federal Student Aid Programs

- Pell Grant
- FSEO Grant
- Iraq and Afghanistan Service Grant
- TEACH Grant
- Federal Work Study Program

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans (parent)
- Direct Consolidation Loans

What is the difference between a scholarship and a grant?

- Scholarships are typically merit or skills based
- Grants are typically awarded based on financial need
- Generally, neither need to be repaid

studentaid.gov

Federal Student Aid Website

- Overview of aid programs
- FAFSA application
- Instructional videos
- Loan repayment calculators

FAFSA

Free Application for Federal Student Aid

What Does the FAFSA Do?

The FAFSA tries to quantify each family's financial need in a way that is measurable and comparable to a standard set of metrics. The result is the Expected Family Contribution, or EFC*.

*The "Expected Family Contribution" will soon become the "Student Aid Index."

- The FAFSA collects data to determine eligibility for the federal aid programs, and, depending where you live, state aid programs.

- FAFSA data can also be used by the schools to determine eligibility for institutional need-based aid.

Student vs. Parent Information

Student Information

- Demographic information
- Income information
- High School attended
- Choose up to 10 schools to receive FAFSA data

Parent Information

- Required for dependent students
  - Under the age of 24, unless certain other criteria are met.
- Income information
- Asset information
  - Value of home and retirement investments not included

IRS Data Retrieval Tool

The 2022-23 FAFSA will collect 2020 tax information.

The Data Retrieval Tool reduces the risk of being selected for the FAFSA audit process called "verification."

- Allows users to import income and tax data directly into the FAFSA from the IRS database
- Must have filed 2020 taxes
- Unavailable for certain marital and filing statuses
- Do not change data after it has been retrieved!
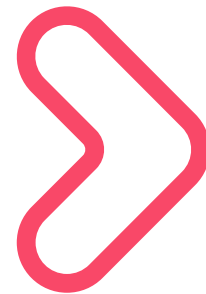
Common FAFSA mistakes

1. Will you have your first bachelor's degree before you begin the 2022-23 school year?

2. What will your college grade level be when you begin the 2022-23 school year?

3. What college degree or certificate will you be working on when you begin the 2022-23 school year?

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

Common FAFSA Mistakes (cont.)

5. How many people are in your parents' household?

6. How many people in your parent's household will be college students between July 1, 2022 and June 30, 2023?

7. Adjusted Gross Income (AGI) vs. Income Tax Paid

8. Do your parent's assets exceed $XX?

QUESTIONS?

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THANK YOU
FOR JOINING US

Good luck on your college search!

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