

Mi Student Aid (Financial Aid or FAFSA)

- **DID YOU KNOW?**
 - In the 2015-2016 school year, over \$90 million in grants and scholarships was left unclaimed?
- **Goal**
 - to minimize the cost of education after high school, and to minimize student loan debt
 - some schools won't even look at you for scholarships if you haven't completed FAFSA
- **Steps to complete the FAFSA**
 - Create FSA id
 - Go to fafsa.gov
 - Enter personal information
 - Enter financial information using data retrieval tool
 - Choose up to 10 schools
 - Sign with FSA ID
- **Types of Financial Aid:**
 - Grants
 - Free money, through completion of FAFSA
 - Need based
 - Pell Grant, state grants, etc
 - Scholarships
 - Free money, through FAFSA, institution or private
 - Different than grants – merit or performance based
 - Like a job...you need to keep earning them
 - Check out renewal requirements (GPA, re-application, etc)
 - Work/Study
 - Need based
 - Money goes to institution for tuition, etc
 - **Student applies for a job on campus to earn it**
 - Loans (Federal)
 - Needs to be **repaid with interest!**
 - Still considered financial aid
 - interest and repayment terms are better than in the private sector (ie-banks)

Grants & Scholarships	Work-Study
<ul style="list-style-type: none"> • Free money! • Aid that does not have to be paid back • Usually awarded on the basis of merit, skill, unique characteristics, or financial need • Federal, State, or Private 	<ul style="list-style-type: none"> • Earn money to help pay for college • Undergraduate and graduate students • Work part-time on or off-campus while enrolled • Also includes non-monetary compensation

Loans
<ul style="list-style-type: none"> • 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



THE FINANCIAL AID PROCESS

Finding financial aid can seem overwhelming when you're trying to get ready for college or career school. The U.S. Department of Education's office of Federal Student Aid is here to help you get the money you need to pay for your education.

PREPARATION

Scholarships and state aid can help cover the cost of college or career school, but you may find yourself in need of federal assistance.



START:

Begin saving early.

SAVINGS



STATE AID

SCHOLARSHIPS



Many states have college funding programs. Ask a guidance counselor or your college financial aid office for more information.

Look for scholarships through your state or college as well as national and community organizations.

It's time to apply for financial aid.

FAFSA®

The FAFSA is the *Free Application for Federal Student Aid* and is the only way to apply for federal student aid. The schools you list on your application will use FAFSA information to evaluate your financial need and determine how much federal aid you are eligible to receive. Many states and colleges also use information from your FAFSA to provide their own financial aid.



Each October, the FAFSA is available for the next school year. It is best to fill it out as early as you can because some aid is first come, first served.

When you complete the FAFSA, you'll need to provide personal and tax information. You may be able to automatically retrieve your tax information from the IRS.



Complete the FAFSA online at fafsa.gov. Make sure to fill out and submit the FAFSA each year you are in college.



After you submit your FAFSA, you'll receive your *Student Aid Report (SAR)*. Your SAR summarizes the information in your FAFSA. Review it and make corrections if needed.

Your FAFSA helps your school determine the types of federal student aid you are eligible to receive.

TYPES OF FEDERAL STUDENT AID

As the largest provider of financial aid, the U.S. Department of Education's office of Federal Student Aid provides grants, loans, and work-study funds.



Grants are free money that do not have to be repaid.



Student loans are real loans (like a car or home loan) that need to be repaid with interest.



A work-study job gives you the opportunity to earn money to help pay your educational expenses.

AWARD

Your award letter explains the combination of federal grants, loans, and work-study a college is offering you. The offer might also contain state and institutional aid. If you receive award letters from multiple colleges or career schools, you should compare them and decide which school works best for you.



COLLEGE

Every year, millions of new students attend college or career school for the first time. Your college or career school has a financial aid office to help guide you along the way.



BEYOND EDUCATION

WORKFORCE

When you take the time to plan for your education and let Federal Student Aid help you along the way, you'll be setting the foundation for a bright future and success in the workforce.

REPAYMENT

Once you leave school, you will need to repay your student loans. Contact your loan servicer to discuss your repayment options.



7 Steps to Filling Out the FAFSA

1. Go to fafsa.gov

One thing you don't need in order to fill out the FAFSA? Money! Remember, the FAFSA is FREE when you use the official .gov site: fafsa.gov.

2. Log in using your FSA ID

If this is your first time completing the FAFSA: Click “Start a new FAFSA” and enter your FSA ID. If you haven't created an FSA ID yet, you can do that [here](#). You will be able to use your FSA ID to sign and submit your new FAFSA right away.

If you are a parent: Click “login” and “Enter the student's information”.

The screenshot shows the FAFSA login interface. It features a blue header with the word "Login". Below the header, there is a section titled "Student Information" with a small box indicating "Form Approved OMB No. 1845-0001 App. Exp. 12/31/2016". The main content area contains instructions: "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." There are two radio button options: "Enter your (the student's) FSA ID" and "Enter the student's information". The first option is selected and has an orange box around it with an orange arrow pointing to the word "STUDENT" below it. The second option is unselected and has a red box around it with a red arrow pointing to the word "PARENT" below it. A "NEXT" button is visible at the bottom right. A "NEED HELP?" link is at the bottom left.

3. Choose which FAFSA you'd like to complete

You should complete the 2021–22 FAFSA if you will be attending college between July 1, 2021 and June 30, 2022.

Remember, the FAFSA is not a one-time thing. You must complete your FAFSA each school year.

4. Enter your personal information*

This is information like your name, date of birth, etc. If you have completed the FAFSA in the past, a lot of your personal information will be pre-populated to save you time. Make sure you enter your personal information exactly as it appears on official government documents. (That's right, no nicknames.)

5. Enter your financial information*

All of it. You should use income records for the tax year prior to the academic year for which you are applying. For example, if you are filling out the 2021–2022 FAFSA, you will need to use 2020 tax information. Once you file your taxes, you may be able to automatically import your tax information into the FAFSA using the [IRS Data Retrieval Tool](#). It makes completing the FAFSA super easy!

6. Choose up to 10 schools

Two-thirds of freshmen FAFSA applicants list only one college on their applications. Don't make this mistake! Make sure you add any school you plan to attend, even if you haven't applied or been accepted yet. You can add up to 10 schools to your FAFSA at a time. We will send the necessary information over to the schools you listed so they can calculate the amount of financial aid you are eligible to receive. If you're applying to more than 10 schools, [this is what you do](#).

7. Sign the document with your FSA ID*

THE FAFSA® PROCESS

Each year, the federal government provides more than \$150 billion in financial aid (grants, work-study, and loans) for college or career school. To apply for this aid, you must complete the Free Application for Federal Student Aid (FAFSA®). Also, state governments and many colleges and career schools use your FAFSA information to award you their aid.

DID YOU KNOW?

Some schools won't consider you for merit scholarships (scholarships based on academic achievement or other talents or skills) until you've submitted a FAFSA, so complete one even if you think you won't qualify for federal aid.

RELAX!

The FAFSA is designed to be simple to fill out. Tips throughout the application help you understand the questions. Most people finish filling out the FAFSA in less than half an hour!

PREPARING FOR THE FAFSA®

The FAFSA process is quicker and easier when you have a username and password called an FSA ID. (If your parent is providing information on your FAFSA, he or she will need his or her own FSA ID as well.) Learn more about the FSA ID and how to create yours at StudentAid.gov/fsaid.

GATHER THIS INFORMATION

The FAFSA asks questions about you and your finances, so have the information below handy.



Social Security number



Alien registration number



Federal tax information or tax returns



Records of untaxed income



Cash, savings, and checking account balances



Investments other than the home in which you live

DON'T HAVE ALL YOUR INFO READY YET?

That's okay; you can start the FAFSA, save it, and come back later to finish it. (To find out whether you need to report info about your parents, visit StudentAid.gov/dependency.)

FILLING OUT THE FAFSA®

Each October, the FAFSA is available for the next school year. It's important to fill it out as soon as possible to meet school and state financial aid deadlines.

SUBMISSION OPTIONS



Electronic form
(fill out at fafsa.gov)



Mail-in application (download PDF at fafsa.gov or order a printed PDF at www.edpubs.gov)



Electronic submission by your college or career school
(ask if they can submit the FAFSA for you)

MEETING FINANCIAL AID DEADLINES

Each state and school has its own FAFSA deadline. Check a college's or career school's deadline on its website or by calling its financial aid office. Most state deadlines are at fafsa.gov/deadlines.htm.

DID YOU KNOW?

You may be able to retrieve and transfer tax information into the form automatically using the Internal Revenue Service Data Retrieval Tool (IRS DRT).

PROCESSING THE FAFSA®

After you submit your FAFSA, your information will be sent to the colleges and/or career schools you listed on the form.

PROCESS TIMELINE

You'll receive an e-mail within a few days, letting you know your FAFSA was processed.

Your college or career school might request additional information from you. Make sure you respond by any deadlines.

FIRST-TIME APPLICANTS

You'll receive an aid offer from each college or career school you applied to and listed on your FAFSA, stating the amount of aid you could receive at the school.

Review and compare your offers, and decide which school to attend based on the school's net cost and how well the school suits your needs.

RENEWAL APPLICANTS

You'll receive an aid offer from your school stating the amount of aid you could receive at the school.

RECEIVING FINANCIAL AID

Formally accept the school's aid offer - and remember, if you're offered student loans, borrow only as much as you really need.

Your school will handle your aid. Ask the financial aid office when and how your aid will be paid out, what it'll cover, and how much (if any) money will come directly to you once tuition and fees are paid.

Get free assistance and answers at fafsa.gov or 1-800-4-FED-AID (1-800-433-3243).

Comparing Federal and Private Student Loans

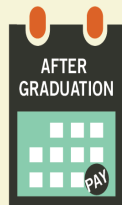
Need a loan to help pay for college? Consider a federal loan first!

Federal

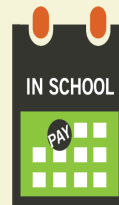
vs.

Private

You will not have to start repaying your federal student loans until you graduate, leave school, or change your enrollment status to less than half-time.



1
Repayment



Many private student loans require payments while you are still in school.

The interest rate is fixed and is often lower than private loans—and much lower than some credit card interest rates.



2
Interest Rates



Private student loans can have variable interest rates, some greater than 18%. A variable rate may substantially increase the total amount you repay.

Undergraduate students with financial need will likely qualify for a subsidized loan where the government pays the interest while you are in school on at least a half-time basis.



3
Subsidized Loans



Private student loans are not subsidized. No one pays the interest on your loan but you.

You don't need to get a credit check for most federal student loans (except for PLUS loans). Federal student loans can help you establish a good credit record.



4
Credit



Private student loans may require an established credit record. The cost of a private student loan will depend on your credit score and other factors.

You won't need a cosigner to get a federal student loan in most cases.



5
Cosigner



You may need a cosigner.

Interest may be tax deductible.



6 Tax Deduction



Interest may not be tax deductible.

If you are having trouble repaying your loan, you may be able to temporarily postpone or lower your payments.



7 Payment Options



Private student loans may not offer forbearance or deferment options.

There are several repayment plans, including options to tie your monthly payment to your income.



8 Repayment Plans



You should check with your lender to find out about your repayment options.

There is no prepayment penalty fee.



9 Penalty Fee



You need to make sure there are no prepayment penalty fees.

You may be eligible to have some portion of your loans forgiven if you work in public service.



10 Loan Forgiveness



It is unlikely that your lender will offer a loan forgiveness program.

Free help is available at 1-800-4-FED-AID and on StudentAid.gov.



11 Assistance



The Consumer Financial Protection Bureau's private student loan ombudsman (www.consumerfinance.gov) may be able to assist you if you have concerns about your private student loan.