

Financial Aid 101

Application Process

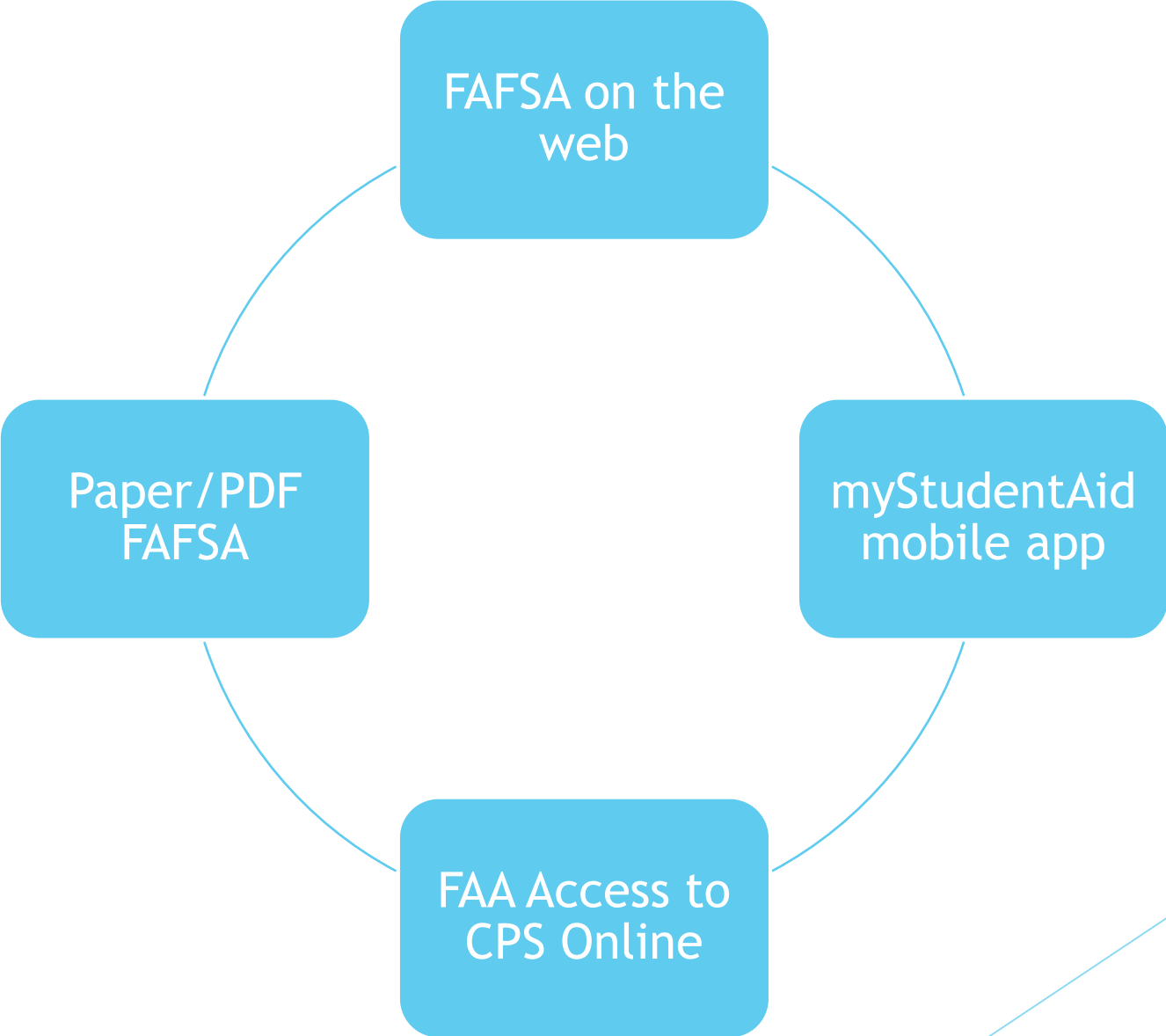
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What is the FAFSA?

- ▶ **Free** Application for Federal Student Aid (FAFSA)
Federal application for students to apply for federal student aid
- ▶ Student/parent submits demographic and income information
- ▶ Expected Family Contribution (EFC) is calculated based on information provided on FAFSA
(Beginning 2023-2024 EFC will be replaced with Student Aid Index-SAI)
- ▶ EFC is used to award federal financial aid and determining eligibility for need-based aid
- ▶ Schools use FAFSA information to award institutional aid and scholarships
- ▶ FAFSA required for many State of MI programs (TIP, Futures for Frontliners, Michigan Reconnect)
- ▶ FAFSA available beginning October 1 each year

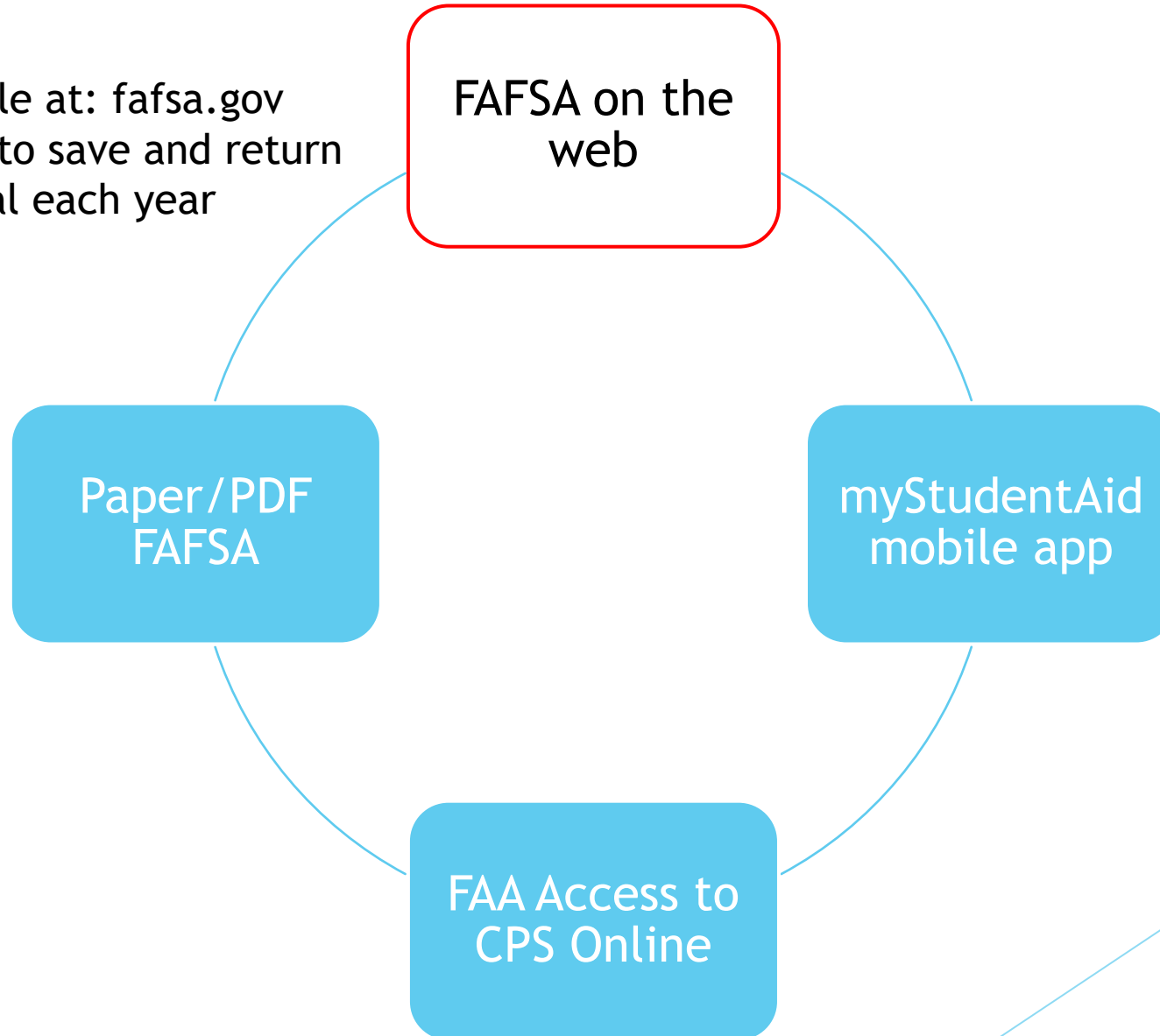


FAFSA Filing Options

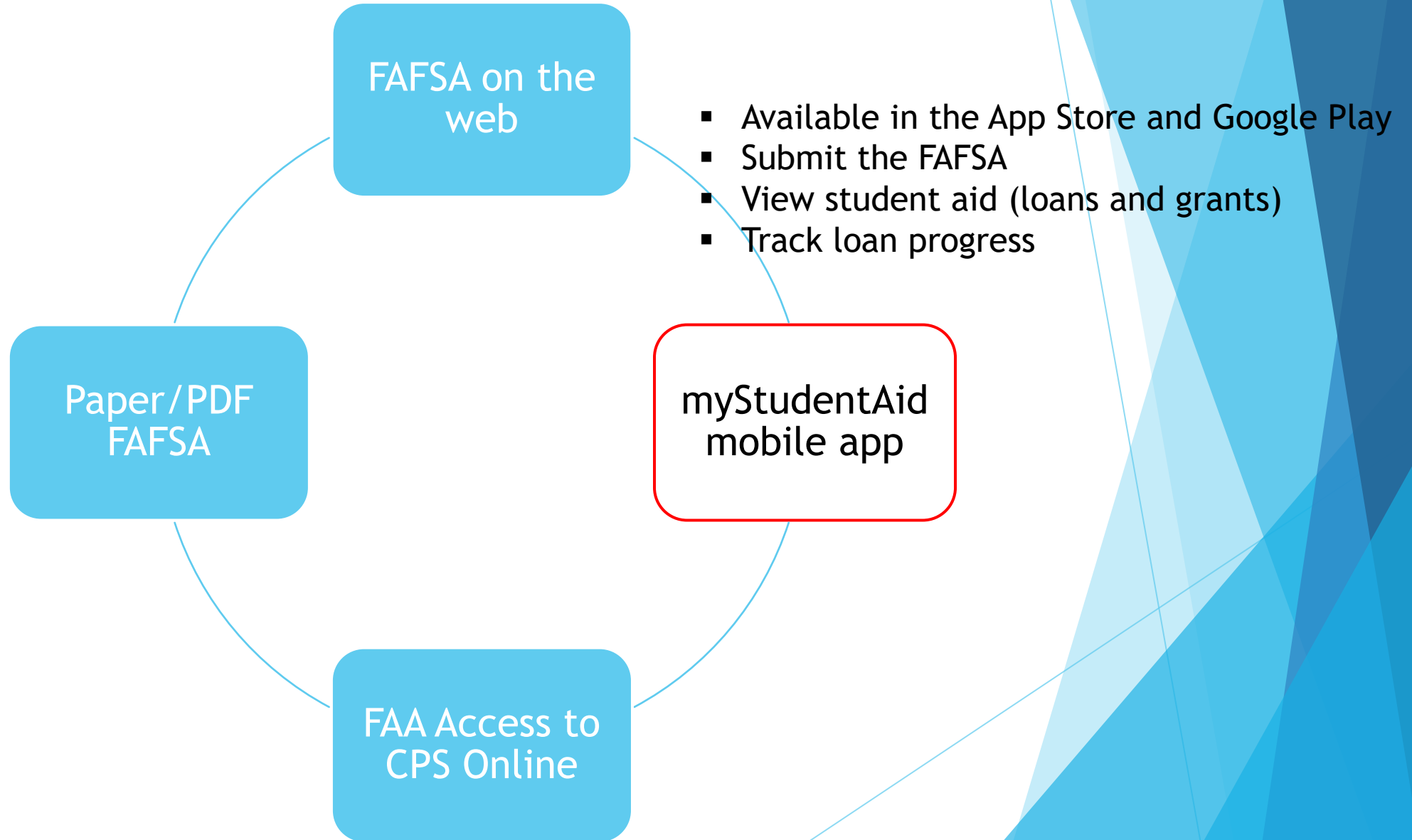


FAFSA Filing Options

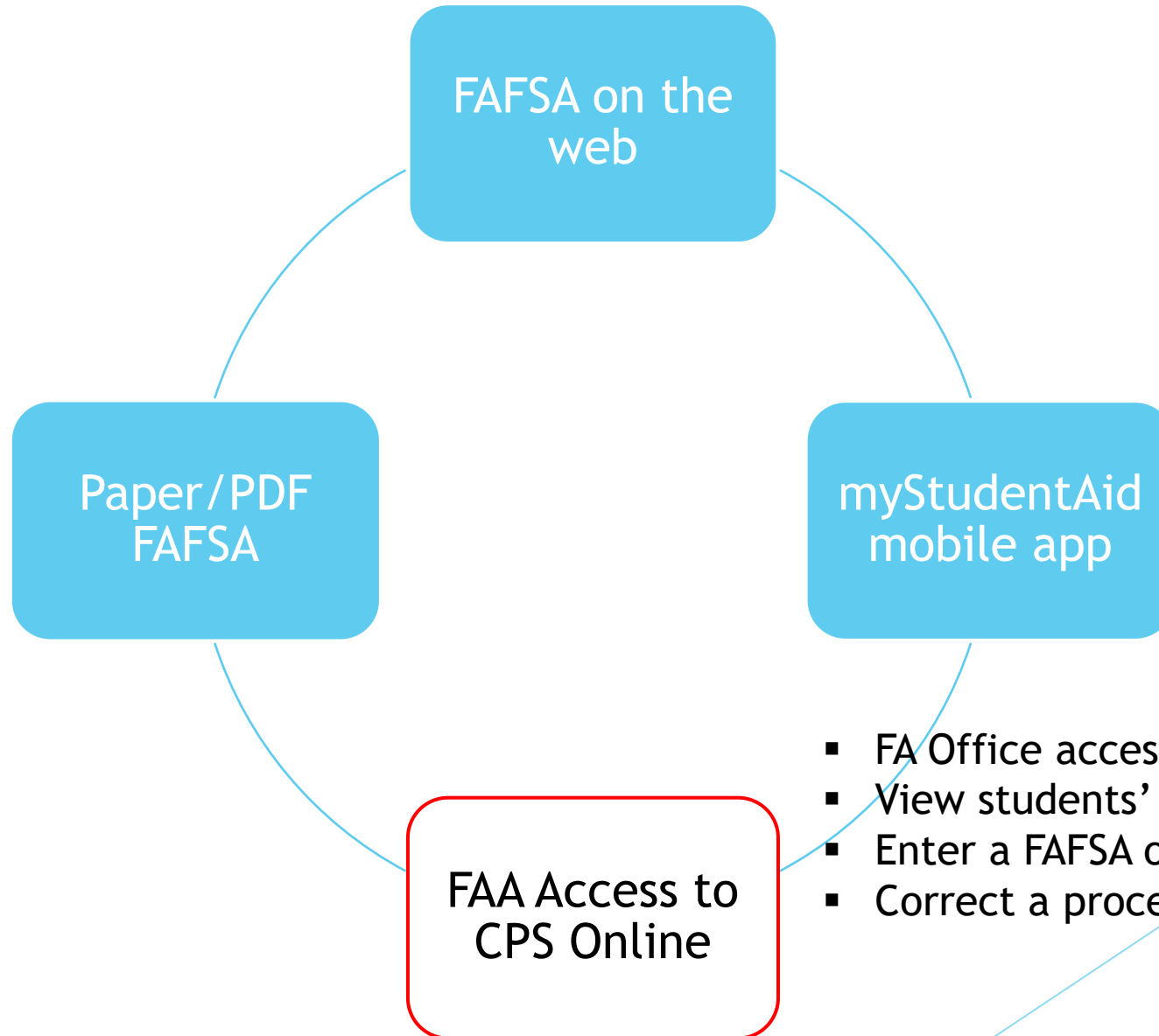
- Available at: fafsa.gov
- Ability to save and return
- Renewal each year



FAFSA Filing Options

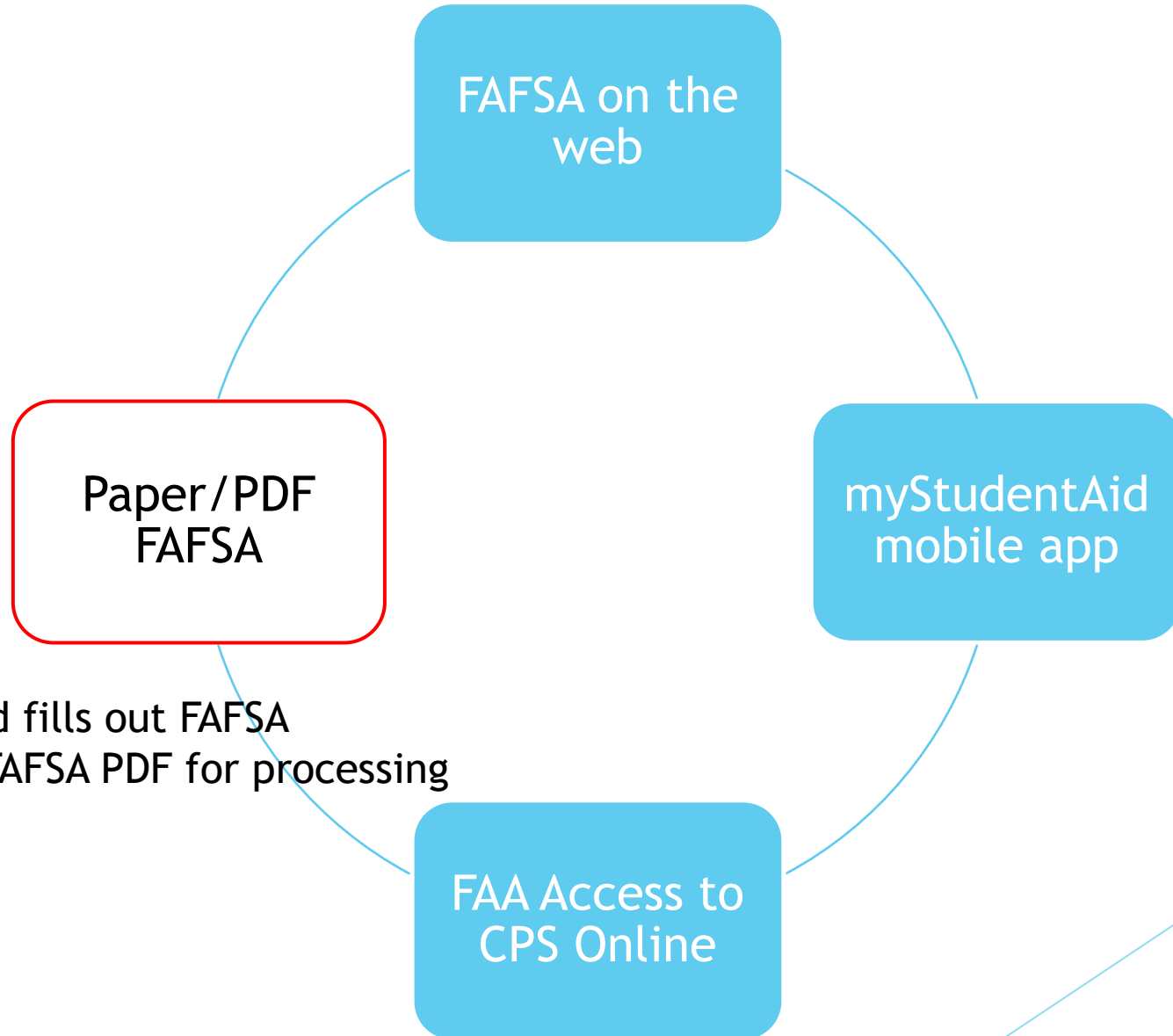


FAFSA Filing Options



- FA Office access to FAFSA information
- View students' Student Aid Report (SAR)
- Enter a FAFSA or Renewal FAFSA
- Correct a processed FAFSA

FAFSA Filing Options



- Student prints and fills out FAFSA
- Mails completed FAFSA PDF for processing

Preparing to fill out the FAFSA

Federal Student Aid ID (FSA ID)

- ▶ Username and password to log into U.S. Department of Education online systems
- ▶ FSA ID is used as legal signature
Should not be created by anyone other than the student (or parent)
- ▶ Used every year to fill out FAFSA as well as for the lifetime of federal student loans
- ▶ Student and parent (of dependent student) each create their own FSA ID

Helpful Resource:

<https://studentaid.gov/sites/default/files/creating-using-fsaid.pdf>

Preparing to fill out the FAFSA

Helpful documents/information to have on hand

- ▶ Social Security Number (student and parent)
- ▶ Driver's License (if applicable)
- ▶ Alien Registration Number (if applicable)
- ▶ Federal tax information/tax returns
student/spouse and parent w-2's/tax returns
(2019 tax information needed for 2021-2022 FAFSA)
- ▶ Records of untaxed income and investments other than the home in which student/parent lives
- ▶ Cash savings and checking account balances



Filling out the FAFSA

Seven Steps

Section	Student/Parent
1. Demographic Information	Student
2. Income Information	Student
3. Dependency Information	Student
4. Demographic and Income Information	Parent
5. Household Information	Student
6. College School Codes	Student
7. Signature and Submission	Student and Parent

Helpful Resource:

<https://studentaid.gov/sites/default/files/2021-22-fafsa.pdf>

Filling out the FAFSA

Section	Student/Parent
1. Demographic Information	Student

- ▶ Enter student information
- ▶ Marital status as of the date the FAFSA is signed
- ▶ Helps and Hints available in each section (both paper and online)
- ▶ Question #22: Selective Service
Registration status with Selective Service no longer affects eligibility to receive federal financial aid. However, while not required, students can still register through the FAFSA form.

Filling out the FAFSA

Section	Student/Parent
2. Income Information	Student

- ▶ Enter student/spouse income information
- ▶ 2021-2022 FAFSA requires 2019 tax information
2022-2023 FAFSA requires 2020 tax information
- ▶ If student was not married in 2019 but is married when filling out the FAFSA, both student and spouse income information is entered
(the same is true if the student was married in 2019 but is no longer married when filling out the FAFSA—remove spouse income)
- ▶ IRS Date Retrieval Tool
IRS transfers tax information directly onto the FAFSA
Easier process if student is selected for verification

Helpful Resource:

<https://studentaid.gov/sites/default/files/transfer-tax-info-to-fafsa.png>

Filling out the FAFSA

Section	Student/Parent
3. Dependency Information	Student

- ▶ Student answers questions to determine if parent information will be required
Answer of “yes” to any question—student considered independent
Answer of “no” to all questions—student considered dependent
- ▶ Dependency on FAFSA is not related to:
**if the student is a dependent on parent taxes
**if the student lives on their own or with their parent
- ▶ Student answering incorrectly
Documents will be requested
Delays process

Helpful Resource:

<https://studentaid.gov/sites/default/files/fafsa-dependency.pdf>

Filling out the FAFSA

Section	Student/Parent
4. Demographic and Income Information	Parent

- ▶ Parent information only required if student is determined to be “dependent”
If student is considered dependent, parent information REQUIRED, even if parent will not continue to financially support the student.
- ▶ Who is my parent for the FAFSA?
 - Both parents
 - **Parents are both living and married to each other
 - **Parents are not married but living together
 - One parent
 - **Parent is widowed or single
 - **Parents have divorced or legally separated—report info for parent that provided most support
 - Parent and Step-Parent
 - **If parent is remarried, provide information for parent AND step-parent
- ▶ Dependency Overrides and Parent Refusal

Helpful Resource:

<https://studentaid.gov/apply-for-aid/fafsa/filling-out/parent-info>

Filling out the FAFSA

Section	Student/Parent
4. Demographic and Income Information	Parent

Asset Information

- ▶ Do Include:
 - Investment property/real estate
 - Investments: stocks, bonds, CDs, money market funds
 - 529 College Savings Plans (parent asset)
 - UGMA/UTMA (trusts-student asset)
- ▶ Do NOT include
 - Home student/family lives in
 - Farm student/family lives on
 - Retirement savings
 - Life insurance
 - Businesses with fewer than 100 employees

Filling out the FAFSA

Section	Student/Parent
5. Household Information	Independent Student

- Household Size
Completed in parent section of dependent student
Completed in Step 5 for independent student
- Dependent Student Household Size (July 1, 2021-June 30-2022)
Student
Parent(s)
Parents other children for which they provide more than half of their support
Other dependents that live with parent and for whom they provide more than half of their support
- Independent Student Household Size
Student
Spouse
Children for whom student provides more than half of their support
Other dependents that live with student and for whom student provides more than half of their support

Filling out the FAFSA

Section	Student/Parent
6. College School Codes	Student

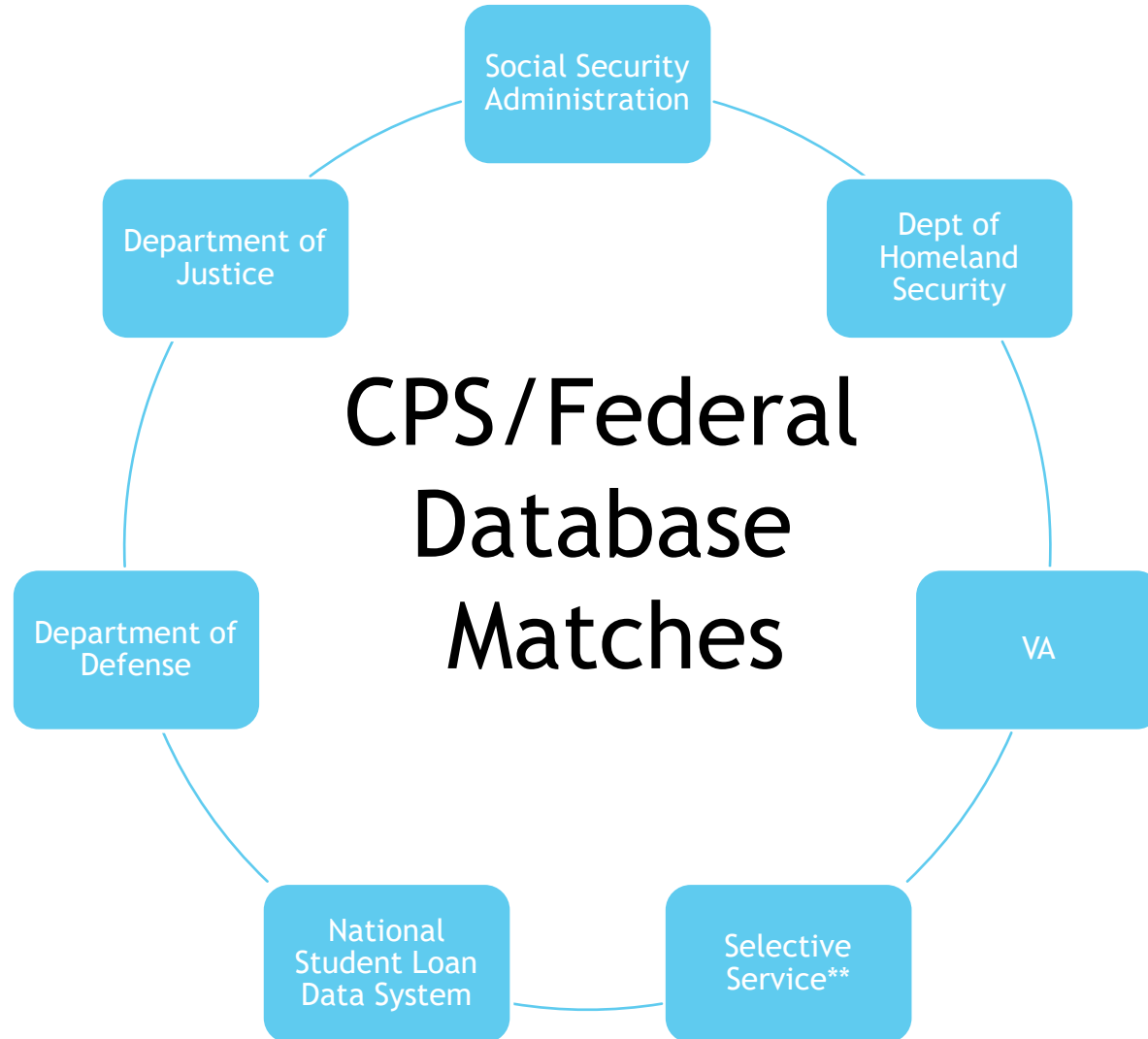
- Student may list multiple school codes. FAFSA will be sent to the school codes listed
Student may list up to 10 school codes with FOTW or in the mobile app
Student may list up to 4 school codes on the FAFSA PDF
- Student will indicate housing plans for each school
- Order schools are listed does not matter for federal aid purposes.
State of MI uses first school listed on the FAFSA (can be updated by student or school)

Filling out the FAFSA

Section	Student/Parent
7. Signature and Submission	Student and Parent

- Both parent and student must sign
- Signing electronically with FSA ID is the fastest option
- If parent cannot sign electronically, print signature page and mail it in
- Once submitted, student will see confirmation page (emailed to student as well)
EFC
Estimated eligibility

After the FAFSA is Submitted



- Federal offices flag mismatches for which school must resolve
- Examples:
 - Citizenship
 - Unusual Enrollment
 - Veteran status
 - SSN mismatch
 - Pell Lifetime Eligibility Used (LEU)
 - Loan Default

After the FAFSA is Submitted

- Student receives Student Aid Report (Student Aid Report)
Summarizes data provided on the FAFSA
Displays official EFC
Students may view SAR online at fafsa.gov and logging in with FSA ID
Some scholarships require copy of SAR
- Institutional Student Information Record (ISIR)
CPS sends results to schools indicated on the FAFSA
Includes comments, codes and flags that may required resolution by the school
Database match results



After the FAFSA is Submitted

Corrections, Updates, Adjustments

- Corrections
Changes to incorrect data that must be made by the student, parent or FA office
- Updates
Required when applicant data is correct at the time the original application was file, but has since changed
 - *Change in Dependency Status (except for marital status)
 - *Change in household size (and student was selected for verification)
 - *Change in number in college (and student was selected for verification)
- Adjustments
Can be made by FA office through Professional Judgement (PJ)
May adjust data elements affecting the EFC
 - *Dependency Override
 - *Special Circumstance

