



## WHAT YOU NEED TO KNOW ABOUT FINANCIAL AID

The following presentation guide can be used for a financial aid information night introducing the basic concepts of financial aid to students and parents. It may be used in conjunction with NASFAA's *What You Need to Know About Financial Aid* presentation slideshow, available in Microsoft PowerPoint format.

If you already have PowerPoint, you can download the slideshow from the NASFAA website, [www.NASFAA.org](http://www.NASFAA.org), and run it as a PowerPoint presentation. You may also wish to print the slide show handout and provide it to your audience. There are multiple options for filing the 2020-21 Free Application for Federal Student Aid (FAFSA®). These include, FAFSA on the Web (FOTW), myStudent Aid app, Financial Aid Administrator Access to the Central Processing System (CPS) Online, the downloadable PDF FAFSA, and the FAFSA on the Phone. This PowerPoint presentation is designed to provide instruction for student and parents to complete the FAFSA online or by paper. The slides do not contain screen captures from the *FOTW Worksheet* or PDF FAFSA; NASFAA recommends you provide copies of the 2020-21 *FOTW Worksheet* (once available) and/or the 2020-21 downloadable PDF FAFSA, once available.

This presentation guide provides a framework in which to discuss the basic concepts of financial aid. The format assumes you have an understanding of financial aid concepts, the federal aid programs, and the FAFSA process. The presentation guide contains only basic information about the student aid programs available for the 2020-21 award year. Provide audience members with copies of NASFAA's *Federal Student Aid Program Summary*.

Give the audience a few minutes to review the chart and ask questions after covering the material in the presentation. Feel free to add additional information based on the needs of your audience.

## PRESENTATION SLIDESHOW GUIDE

### [1] Title Slide—What You Need to Know About Financial Aid

*Welcome the audience and introduce the presenter(s).*

### [2] Topics We Will Discuss

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

### [3] What is Financial Aid?

- Financial aid consists of funds provided to students and families to help pay for postsecondary educational expenses
  - The amount and type of Federal financial aid a school awards a student is based on the school's cost of attendance, or COA, and the student's Expected Family Contribution, or EFC, as determined by information provided on the FAFSA.

### [4] What is Cost of Attendance (COA)?

- The cost of attendance, or COA, is an estimation of the educational costs a student is expected to incur during the period of enrollment, usually a full academic year.
- The COA consists of two types of educational costs: Direct costs and indirect costs.
  - Direct costs are billed by or paid directly to the college, such as tuition and on-campus housing
  - Indirect costs are necessary expenses, such as transportation and personal care items, that are not paid to the college
- Colleges combine direct and indirect costs to create the COA, which is also called the student budget
- The COA varies widely among different types of colleges

### [5] What is Expected Family Contribution (EFC)?

- The EFC is a measurement of the family's ability to contribute towards a student college expenses for a given academic year, but not what the family will pay to the college
  - Calculated using data from the FAFSA and a federal formula
  - EFC is the same regardless of what college the student attends

- It is made up of two components:
  - Parent contribution (for students who are considered dependent for financial aid purposes)
  - Student contribution

## **[6] What is Financial Need?**

- The difference between the COA and the EFC
- Financial need will vary based on the COA of different colleges
- The financial need determines how much and what type of aid a student may receive
  - Colleges may not be able to offer enough financial aid to meet the student's total financial need

## **[7] Categories of Financial Aid**

- Need-based aid
  - To receive need-based financial aid, a student must demonstrate that he or she needs the money to attend college. A student demonstrates need through an analysis of her family's financial situation, generally through information provided on the FAFSA. Some schools may collect additional information to determine eligibility for any need-based dollars available through the school.
- Non-need-based aid
  - To receive non-need based financial aid, the student does not have to demonstrate that he or she needs the money to attend college. This category of financial aid may be awarded based on a student's ability, talent, or unique characteristics, such as academic achievements, athletic ability, musical talent, or ethnic heritage.

## **[8] Types of Financial Aid**

- Gift Aid  
Money that does not have to be paid back
  - Scholarships
  - Grants
- Self-Help Aid
  - Loans
  - Employment

## **[9] Scholarships**

- Money that does not have to be paid back
- Awarded based on merit (e.g., good grades), skill (e.g., athletics), or unique characteristic (e.g., being left-handed)

## [10] Grants

- Money that does not have to be paid back
- Awarded on the basis of financial need, as calculated using a form such as the FAFSA

## [11] Work-Study Employment

- Allows student to earn money to pay educational costs
  - Receive a paycheck for work completed; or
  - Nonmonetary compensation, such as room and board
- Student and employer determine schedule and number of hours to work per week

## [12] Loans

- Money students or parents borrow to pay college costs
- Look at loans as an investment in the future
- Student may opt to borrow only what is really needed or not at all
- Repayment usually begins after education is finished

## [13] Sources of Financial Aid

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

## [14] Federal Government

- Largest source of financial aid
- Aid awarded primarily on the basis of financial need
- Must apply each year by submitting the FAFSA
- Eligibility requirements must be met
  - Examples of these requirement include: must be citizen or eligible noncitizen; must register with Selective Service (if applicable); must be enrolled as a regular student in a Title IV eligible program; etc.

## [15] Federal Student Aid Programs

- Federal Pell Grant
  - Largest federal grant program
  - Need-based award that does not have to be repaid
  - Generally, student must not possess a baccalaureate or first professional degree
  - Award amount is based on enrollment status, COA, and EFC
  - Children of Fallen Heroes Scholarship-Pell Grant
    - May be available to students whose parent or guardian was a public safety officer and dies while in the line of duty
    - At time of parent's or guardian's death, student must be less than 24 years of age, or, if 24 years of age or older, enrolled at an institution of higher education
- Iraq and Afghanistan Service Grant (IASG)
  - Non-need-based grant
  - Available to students whose parent or guardian died as result of U.S. military service on or after September 11, 2001
  - At time of parent's or guardian's death, student must be less than 24 years of age, or, if 24 years of age or older, enrolled at an institution of higher education
  - Student must not be eligible for Federal Pell Grant
  - Grant amount cannot exceed student's COA
- Teacher Education Assistance for College and Higher Education (TEACH) Grant
  - Must have and maintain 3.25 GPA each term or score at or above the 75<sup>th</sup> percentile on a standardized college admissions test
  - Must agree to teach full time for at least four years within eight years of college graduation at a school serving a high percentage of low-income students (Title I schools)
  - Must teach a specific high-need subject
  - Grant funds become a Direct Unsubsidized Loan if student does not fulfill teaching requirement
- Federal Supplemental Educational Opportunity Grant (FSEOG)
  - Need-based grant
  - Usually eligible for a Federal Pell Grant
  - Targeted to neediest students
- Federal Work-Study (FWS)
  - Need-based student employment program
  - Allows students to work on or off campus
  - Earnings do not count against future Title IV eligibility
- Federal Direct Student Loans (Direct Loans)
  - Loans for students
  - Interest rates and terms are usually better than typical commercial loans

- Cosigner and good credit not required
- Amount varies by academic standing or grade level
- Direct Subsidized Loan is need-based and interest is paid by federal government while student is in school
- Direct Unsubsidized Loan is non-need-based and government **does not pay** interest for student
- Repayment usually begins after student graduates
- Federal PLUS Loans
  - Loans for parents of dependent undergraduate students and graduate or professional students
  - Non-need-based
  - Amount based on cost of attendance minus other aid
  - Borrower must have good credit or creditworthy endorser
  - If the parents of a dependent student are unable to borrow a PLUS due to poor credit, student may be eligible to borrow more Direct Unsubsidized Loan funds
  - Repayment usually begins after the loan is fully disbursed

**Note:** *If you have not already done so, give the audience copies of the Federal Student Aid Programs Summary handout. Give them a few minutes to review the chart and then answer any questions about the Title IV programs.*

## [16] States

- Residency requirements usually apply
- Award aid on the basis of both merit and need
- Use information from the FAFSA and/or state aid applications
- Deadlines vary by state; check FOTW website or paper FAFSA

## [17] Colleges and Universities

- Award aid on the basis of both merit and need
- Aid may be gift aid or self-help aid
- Use information from the FAFSA and/or institutional applications
- Deadlines and application requirements vary by institution
  - Students should check with each college or university for more information

## [18] Private Sources

- Foundations, businesses, churches, civic, and charitable organizations
  - Research what is available in the community, including any organization the student belongs to.
- Deadlines and application procedures vary
  - Private donors often develop their own application and eligibility criteria and procedures.
- Begin researching private sources early
  - Students should start searching during their junior year or early in senior year

## [19] Employers

- May have scholarships available for employees' children
- May have education benefits for their employees

## [20] Free Application for Federal Student Aid (FAFSA®)

- Collects demographic and financial information about the student and family
- Information used to calculate the expected family contribution (EFC)
  - The EFC is 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
- The application is available in either English or Spanish versions

## [21] Free Application for Federal Student Aid (FAFSA®)

- May be filed at any time during an academic year, but no earlier than the October 1<sup>st</sup> prior to the academic year for which the student requests aid
- For 2020-21 academic year, the FAFSA may be filed beginning October 1, 2019
- Colleges may set FAFSA priority dates
  - Meeting or not meeting a college's priority date may impact the amount of financial aid a student receives

**Note:** However, just because they can apply earlier, does not mean schools will be able to respond earlier. Depending on the availability of Federal Pell Grant schedules and other budgetary considerations, schools may not be able to provide award offers until spring.

## [22] Free Application for Federal Student Aid (FAFSA®)

The FAFSA collects demographic and financial information about the student and family. There are a variety of ways that the FAFSA may be filed:

- FAFSA on the Web, or FOTW
- MyStudentAid mobile app
- Paper or PDF FAFSA
  - To request a paper FAFSA, call 1.800.4.FED.AID (1.800.433.3243) or 334.523.2691. If hearing impaired, use the TTY line, 1.800.730.8913
  - The PDF FAFSA may be downloaded at [www.fafsa.gov](http://www.fafsa.gov)
- FAFSA on the Phone, or FOTP
  - FOTP is an option available for applicants who have limited or no Internet access, and who are facing pressing deadlines. Applicants can reach a representative by calling 1.800.433.3243.
- FAA Access to the CPS Online

- This option allows a financial aid administrator the ability to enter the FAFSA information for the student and family. This option may require additional questions to be answered than FOTW or MyStudentAid because the skip logic is not available.

**Note:** Some colleges require student to submit forms in addition to the FAFSA, such as the College Scholarship Service (CSS) Financial Aid PROFILE form or an institutional form.

### **[23] Benefits of Using FOTW or myStudentAid**

- Built-in edits to prevent costly errors
- Skip-logic allows student and/or parent to skip unnecessary questions
- Option to use Internal Revenue Service (IRS) data retrieval to import tax return data

### **[24] Benefits of Using FOTW or myStudentAid**

- More timely submission of original application and any necessary corrections
- More detailed instructions and “help” for common questions
- Ability to check application status online
- Simplified application process in the future
  - Option to “pre-fill” certain information on FAFSA when completing application in subsequent years

**Note:** FAFSA filers under the age of 13 cannot use FOTW and ED cannot communicate electronically with these students due to the Children’s Online Privacy Protection Act (COPPA) of 1998. The parent, legal guardian, financial aid administrator, or high school counselor working with a person under the age of 13 can visit [www.fafsa.gov](http://www.fafsa.gov) and click on the FAFSA Filing Options link, select the appropriate award year PDF FAFSA application, download and print the application, complete it, and mail the completed form to the address provided on the form.

### **[25] FAFSA on the Web (FOTW)**

**Note:**

1. From the [www.fafsa.gov](http://www.fafsa.gov) homepage, the student will select either the appropriate option.
2. On October 1, 2019, FOTW will offer the option to complete either the 2019-20 FAFSA or the 2020-21 FAFSA
3. You may wish to highlight the importance of selecting the correct application for the award year for which the student wants to be considered for federal financial aid.

### **[26] FAFSA on the Web (FOTW)**

**Note:** The Login page provides an option for the student or another individual to complete the FOTW

## **[27] myStudentAid Mobile App**

- Mobile access to begin, complete, save, and submit the FAFSA
  - Available from the Apple App Store and Google Play
  - Allows students and parents to complete the FAFSA on the mobile device of their choice

## **[28] myStudentAid Mobile App**

- Information protected the same as FOTW
- Prompts applicant to create a save key, allowing completion at a later time
  - The save key enables students and parents to complete the FAFSA without sharing FSA IDs

## **[29] myStudentAid Mobile App**

- FAFSA completion tracked
- Successful completion of each section indicated

## **[30] myStudentAid Mobile App**

- Agreement of Terms checkbox
  - This agreement will be provided for the student to complete.
  - For dependent students, a Parent Agreement of Terms will be provided to complete.
- Confirmation of submission
  - The confirmation appears on the screen in the app and a confirmation is sent to the student at the email address provided.
  - The student will receive an additional email once the FAFSA has been processed.
- Estimated EFC calculation
  - Provides an estimation of the student's Federal Pell Grant award, based on full-time enrollment

## **[31] IRS Data Retrieval Tool (DRT)**

- Allows for certain tax return information to be transferred from the IRS database
- Participation is voluntary, and tax filer chooses whether or not to transfer data to FOTW
  - If IRS Data Retrieval Tool (DRT) is selected, the student and/or parent will be directed to the IRS website to provide information to retrieve tax information
- IRS will authenticate taxpayer's identity
- If tax record is found, the IRS will transfer tax information to the U.S. Department of Education to populate various FAFSA fields.
  - The following information, if present, will be transferred:
    - Tax Year;

- Name(s);
  - Social Security Number;
  - Filing status;
  - Type of return filed;
  - Adjusted gross income;
  - Income earned from work;
  - Income tax;
  - Education credits;
  - Untaxed pensions;
  - Untaxed IRA distributions;
  - Tax exempt interest income;
  - IRA deductions and payments; and
  - Status of amended returns received.
- Reduces documents requested by financial aid office
    - Since information is transferred from the IRS, the financial aid office would not need to request this information, which may expedite the process at the school.

**Note:**

1. *The majority of tax filers will have already filed their 2018 federal income tax returns before attempting to retrieve the data while completed FOTW. Delays between filing a tax return and the availability of the data through the IRS data retrieval process should be rare, unless the tax filer requested an extension to file.*
2. *When the IRS DRT is used, the actual values of the information from the applicant's tax return is masked to protect the privacy of the filer and reduce the risk of identity theft.*
3. *Since the IRS data is masked, students and parents cannot correct this information. If corrections are necessary, the financial aid office will need to be contacted for assistance.*
4. *Applicants who do not use IRS DRT or change transferred IRS information before submitting FOTW may need to submit tax information, e.g. signed copy of the IRS Form 1040 or tax return transcript, to the school to verify tax information they provided on the FAFSA. Encourage families to use the IRS DRT process if FOTW gives them the option in order to simplify the verification process if the student is selected.*
5. *Applicants may see check boxes to indicate that various items were reviewed during the IRS DRT process. The presence of these check boxes not mean that the item was present on the tax return, just that the item was reviewed for data transfer.*

## [32] IRS Data Retrieval Tool

- Some will be unable to use IRS Data Retrieval Tool
  - If the conditions on the slide exist, the student and parent(s) cannot use the IRS DRT.

### Note:

1. *If a student or parent is married at the time the FAFSA is filed, but filed taxes separately for any reason, both spouses' information will need to be combined to answer certain FAFSA questions correctly.*
2. *If an applicant is unable to use the IRS DRT, the applicant should continue completing the FAFSA providing his or her available tax information. If there are questions about why IRS DRT could not be utilized, have the student and parent(s), if parental information is required, work directly with a financial aid administrator.*

## [33] FSA ID

- Used for FAFSA completion and allows to certain U.S. Department of Education websites
- May be used by students and parents throughout the financial aid process, including subsequent school years
- Only the owner should create a FSA ID
  - Each student and parent should create their own FSA ID
  - It is a legal signature and should not be shared with anyone
  - Is used to sign the FAFSA and other financial aid documents (e.g. loan applications)
- Apply at <https://fsaid.ed.gov/npas/index.htm>

### Note:

1. *For more information on how to obtain an FSA ID, go <https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid>.*
2. *If you have not already done so, provide members of the audience with copies of the FOTW Worksheet, when available, so they may refer to it during the following discussion. For more information regarding the FOTW Worksheet, go to <https://financialaidtoolkit.ed.gov/tk/learn/fafsa/updates.jsp>*

## [34] FAFSA on the Web Worksheet

- Preview of questions that may be asked regarding basic information for the student and parent, if applicable
  - The FOTW Worksheet contains:
    - Instructions
    - Questions that gather basic information on student and parent(s), if applicable

**Note:** The FOTW Worksheet is significantly shorter than the actual FAFSA. Point out to the audience that when they complete FOTW, they will need to answer more questions than what are included on the worksheet. The PDF FAFSA is a better gauge of the number and types of questions that will be asked. Remind them that FOTW uses skip-logic to prevent them from answering unnecessary questions.

### [35] General Student Information

- Social Security Number
- Citizenship status
- Marital status
- Drug conviction of possession or sale
- Selective Service registration
- Highest education level completed by *biological* parents', collected for demographic purposes

**Note:**

1. *Emphasize the importance of reporting the student's name and Social Security Number exactly as it appears on the student's Social Security card. Do not use nicknames. Errors will delay processing.*
2. *When the CPS processes the FAFSA, it verifies the student meets the citizenship/eligible noncitizen criterion, but it does not verify the citizenship status of the parents. Parents do not need to be U.S. citizens or eligible noncitizens for their students to be eligible for federal student aid.*

*Categories of eligible noncitizens include:*

- *U.S. permanent residents;*
- *Citizens of the Freely Associated States: the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau;*
- *Refugees;*
- *Victims of human trafficking;*
- *Persons paroled into the U.S. for at least one year;*
- *Persons granted asylum;*
- *Battered immigrants;*
- *Conditional entrants-qualified aliens; and*
- *Cuban-Haitian entrants.*

**Note:** For the drug question, if the student answers "Yes", he or she:

1. *Must complete an online worksheet to determine if the answer affects his or her eligibility for aid;*  
**and**
2. *If drug conviction exists, the student should still submit a FAFSA.*

## [36] Student Dependency Status

- FAFSA asks questions to determine student's dependency status for Title IV federal student aid purposes, not for IRS tax purposes:
  - If all "No" responses, student is dependent and must provide parent information
  - If "Yes" to any question, student is independent

### Note:

1. *For Title IV federal financial aid purposes, a dependent student may have a single parent or two married, biological parents. Adoptive parents are treated just like biological parents. A stepparent is considered a parent if married to a biological or adoptive parent and if the dependent student counts in the household size. Emphasize to the audience that, if a student's parents are divorced and the parent completing the FAFSA has remarried, the stepparent's income and asset information must be reported on the FAFSA. Biological and adoptive parents, whether of the opposite sex or the same sex, who are unmarried and living together will indicate "unmarried and living together" as their marital status and will both report their income and asset information on the FAFSA.*

*Remind the audience that grandparents, foster parents, and legal guardians are not considered parents for the purpose of completing the FAFSA unless they have legally adopted the student. Special circumstances will be discussed in more detail at the end of the presentation.*

*Be sure to point out that an independent student is **defined by law** as one who:*

- *Will be 24 years of age by December 31 of the award year;*
  - *Is an orphan or a ward of the court;*
  - *Is an orphan, in foster care, or a ward of the court, at any time when the student was 13 years of age or older;*
  - *Is an emancipated minor or is in legal guardianship as determined by a court in the student's state of legal residence;*
  - *Is an unaccompanied youth who is homeless or who is at risk of homelessness and is self-supporting, as documented during the school year;*
  - *Is a veteran of the U.S Armed Forces;*
  - *Is serving on active duty in the U.S. Armed Forces for purposes other than training;*
  - *Is married;*
  - *Is a graduate or professional student;*
  - *Has legal dependents other than a spouse;*
  - *Has dependent children; or*
  - *Presents documentation of other unusual circumstances demonstrating independence to the financial aid administrator.*
2. *Dependent students who will not be able to provide parental data will be able to apply using FOTW, but to receive Direct Unsubsidized Loans only. Such students will see screens directing them to contact the financial aid office at their college about required documentation to establish eligibility for these loan funds. If a dependent student's parent(s) have ceased to provide support and refuse to complete the FAFSA.*

## [37] Information About Parents of Dependent Students

- Tax, income, and other financial information
  - Parents need to supply tax and income information, including additional financial income not reported on the tax return.
- Dislocated worker status
  - Check box to indicate whether either parent is a dislocated worker;
  - The criteria for a dislocated worker can be found on page 10 of the paper FAFSA or is available on the FOTW screen where the question appears.
- Receipt of means-tested federal benefits in the previous two years
  - These benefits include:
    - Medicaid or Supplemental Security Income (SSI);
    - Free or reduced price school lunch;
    - Temporary Assistance for Needy Families (TANF);
    - SNAP; or
    - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Assets.
  - Based on responses to previous questions, parents **may** be asked to provide more information about their assets;
  - Asset data may include current balance of cash, savings, and checking accounts; net worth of investments; and the net worth of certain businesses and investment farms; and
  - The value of 529 college savings plans in either the parent's or student's name is reported as an asset of the parent.
- Untaxed income
  - This may include payments to tax-deferred pension and savings plans, child support received, and clergy or military housing allowances.

### **Note:**

1. *Detailed definitions will be available on the screen where information is reported.*
2. *The FOTW Worksheet tells the applicant that he or she will need to provide the parent's Social Security Number, name, and date of birth when completing the form. If a parent does not have a Social Security Number, he or she should report all zeros for the question.*
3. *Remind the audience of the following:*
  - *A family's home is not reported as an asset on the FAFSA;*
  - *A family owned and controlled small business with 100 or fewer full-time or full-time equivalent employees is not reported on the FAFSA;*
  - *Report asset value **as of the day the FAFSA is submitted**;*
  - *Asset information can't normally be updated;*
  - *Family should contact the financial aid office if special circumstances exist; and*
  - *Some schools may request family home and small business information separately for purposes of awarding institutional scholarship or grant funds.*

## [38] Information About Student (and Spouse)

- Tax, income, and other financial information
  - The student (and spouse) needs to supply tax and income information, as well as amounts, including additional financial income not reported on the tax return.
- Check box to indicate whether student and/or spouse is a dislocated worker
- Receipt of means-tested federal benefits in the previous two years
  - These benefits include:
    - Medicaid or Supplemental Security Income (SSI);
    - Free or reduced price school lunch;
    - Temporary Assistance for Needy Families (TANF);
    - SNAP; or
    - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).
- Assets:
  - Based on responses to previous questions, student **may** be asked to provide more information about his or her (and spouse's) assets
  - May include current balance of cash, savings, and checking accounts; net worth of investments; and the net worth of certain businesses and investment farms
  - Includes the value of 529 college savings plans owned by the independent student and spouse
- Untaxed income:
  - Includes payments to tax-deferred pension and savings plans, child support received, clergy or military housing allowances, and money receive or paid on the student's (and spouse's) behalf.

**Note:** Remind the audience that if the student is married, his or her spouse's information must be reported on the FAFSA. Also, point out that the reporting of assets follows that of the parent listed above.

## [39] Additional Information

- College information
  - Students may list up to 10 colleges to receive FAFSA information using FOTW. If using the paper FAFSA, there is space to list four colleges.
  - The student will need to provide the Federal School Code and housing plans at each college. If the Federal School Code is unknown, it may be located using the search feature in FOTW or searching online. If using the paper FAFSA the college name and address may be provided.
- Housing plans
  - Students can indicate plans to live on campus, with a parent, or off campus while attending college
- FAFSA preparer information
  - A preparer is an individual who is paid a fee to help the student fill out the application. Individuals who advise students without charging a fee, such as high school counselors and financial aid administrators, are not preparers.

## [40] Signatures

- Required
  - Student
  - One parent (for dependent students)
- Format for submitting signatures

There are three ways to provide a signature for the FAFSA:

- Electronic, using FSA ID
- Signature page
- Paper FAFSA

**Note:** *The option to submit the FAFSA without signature(s) is provided. However, the FAFSA is considered incomplete until the required signatures are provided. By signing the FAFSA, the student and parent, if applicable, certifies that the Title IV financial aid received will be used solely for educational or educationally-related purposes; he or she is not in default on a Title VI Title IV loan or has made satisfactory arrangement to repay it and does not owe an overpayment on a Title IV grant or has made satisfactory arrangements to repay it. He or she also agrees that he or she will notify the school if he or she defaults on a federal student loan and will not receive a Federal Pell Grant from more than one school during the same period of time.*

## [41] Frequent FAFSA Errors

- Social Security Numbers
  - Incorrect SSNs and SSNs that do not exactly match student's name and date of birth on the Social Security Card
- Divorced/widowed/remarried parental information
  - Follow the instructions to correctly identify which parent's information belongs on the FAFSA
- Income earned by parent/stepparent
  - If the marital status changed between filing a tax return and filing the FAFSA, the spouses' information may need to be separated out or added together to report it correctly on the FAFSA
- Untaxed income
  - Follow the instructions carefully to provide only the types of income/exclusions required
- U.S. income taxes paid
  - Follow the instructions to identify the correct tax return line item
- Household size
  - List only those persons meeting the definition of "household member" for the purposes of applying for federal financial aid, which may differ from the applicant's actual living situation
- Number of household members in college
  - List only those persons meeting the definition (e.g., a dependent student's parent does not qualify)

- Real estate and investment net worth
  - List only the assets identified in the instructions, using the value at the time the FAFSA is completed
  - Do not list equity in the family's primary residence or the value of official retirement investments

## **[42] FAFSA Processing Results**

- CPS sends the processing results of the FAFSA to the student and school(s) listed on FAFSA and includes:
  - The student's EFC;
  - Messages related to database match issues;
  - Verification selection; and
  - Eligibility for Title IV funds.
- The school receives the information electronically. This output document is called the Institutional Student Information Record, or ISIR.
- The type of output document the student receives from the CPS depends on whether the student provided a valid email address on the FAFSA.
- The student will receive one of the following:
  - Email notification of SAR processing provides access to the student's electronic SAR;
  - Paper SAR is sent if a paper FAFSA is filed and did not provide a valid email address; or
  - Paper SAR acknowledgment if FOTW is submitted without a valid email address.

## **[43] Email Notification of SAR Processing**

- Email notification containing direct link to student's online SAR if student provided email address on paper or electronic FAFSA
- Students with FSA ID may view results online at [www.fafsa.gov](http://www.fafsa.gov)
  - Online, the student may:
    - View or print his or her SAR;
    - Create a shareable file containing select FAFSA data;
    - Make corrections to the FAFSA; and
    - View FAFSA transaction history.

## **[44] SAR or SAR Acknowledgement**

- SAR sent if paper FAFSA filed without providing an email address
  - Student may review data and make corrections to FAFSA information
- SAR Acknowledgment is sent if FOTW filed without an email address
  - Student may review data, but cannot use to make corrections to FAFSA information

## [45] Institutional Student Information Report (ISIR)

- CPS sends results to colleges listed on the FAFSA
- Colleges review ISIR and may request additional documentation
  - Additional documentation may include tax return transcripts, proof that a sibling is enrolled in college, proof of high school completion, documentation of untaxed income, etc.

## [46] Making Corrections

- If necessary, make corrections to FAFSA data may be made by:
  - Using FAFSA on the Web, if student has FSA ID;
  - Updating and mailing a paper SAR; or
  - Submitting documentation to college's financial aid office.

**Note:** SAR Acknowledgement cannot be used to submit corrections.

## [47] Special Circumstances

- Conditions exist that cannot be documented with the FAFSA
- Send written explanation and supporting documentation to financial aid office at each college
- College will review and request additional information, if necessary
- Decisions are final and cannot be appealed to U.S. Department of Education

## [48] Special Circumstances

- Examples of special circumstances
  - Change in income
  - Change in employment status
  - Unusual medical bills not covered by insurance
  - Change in parent marital status
  - Unusual dependent care expenses
  - Student is unable to obtain parental information due to incarceration, abusive situation, or no relationship with parents

## [49] End Slide—NASFAA Logo

*Conclude by thanking the audience for attending and responding to any questions that they may have.*