

Financial Aid 101

Presented by: Blake Taylor

Goals for Today

- Today, I hope you leave with:
 - Understanding of the Financial Aid process
 - Knowledge of the types of aid
 - Increased confidence to complete the FAFSA
 - Your questions answered!

What Is Financial Aid?

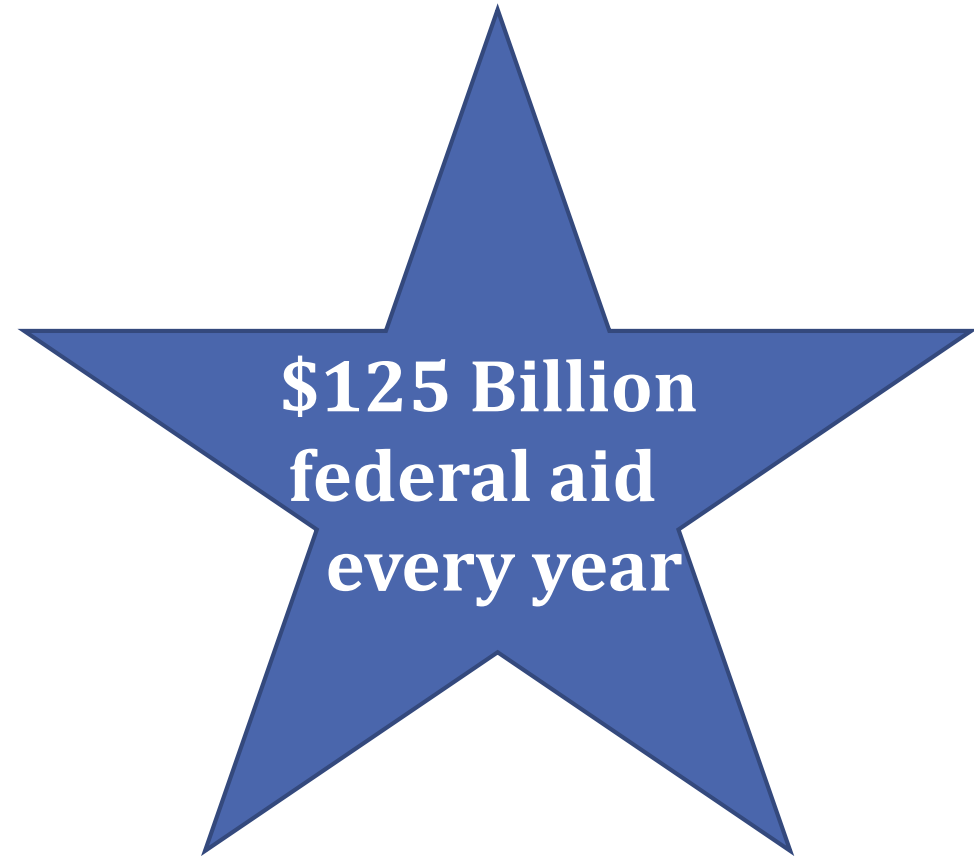


Purpose Of Financial Aid

- To assist a student in paying for an education
- To provide access and opportunity
- To help narrow the gap between what the family can pay and the cost of education

Primary Sources of Financial Aid

- Government Sources:
 - Federal and State agencies
- Colleges & Universities
- Private Sources



Types of Financial Aid

- Grants
- Federal Work Study
- Scholarships
- Loans



Grants (Free-not repaid)

- Federal
 - Pell grant
 - SEOG (Supplemental Educational Opportunity Grant)
 - TEACH Grant*
- State
 - Wisconsin Grant
 - TIP (Talent Incentive Program)
 - TAG (Tuition Assistance Grant)
- Institutional

**Not all schools participate in TEACH Grant—even if they have an education program*

Federal Work Study/Employment

- Federal Work Study
- Institutional Work Programs
- Off campus/summer employment
- Paid internships

Studies show that students who work part-time perform better academically

Scholarships

Where do scholarships come from?

- Colleges/Universities
- Civic Organizations/Private businesses
- Parental affiliations
- Online Searches (fastweb.com)

What are scholarships based on?

- Merit
- Need
- Involvement/Activity/Leadership etc
- Just for being YOU!



Things to think about with Scholarships

When applying:

- Is the scholarship RENEWABLE?
- Who is my competition?
- What makes me unique?

When awarded:

- When are funds distributed, and how?
- Is there anything I need to do after receiving the funds?

Other Resources

- AmeriCorps
- Veteran's benefits and tuition waivers
- ROTC scholarships and/or stipends
- Bureau of Indian Affairs (BIA) grants
- State Divisions of Vocational Rehabilitation (DVR)
- Health and Human Services loan and scholarship programs

Loans (Paid back)

- Federal Direct Loan Program
 - Subsidized-based on need
 - Unsubsidized
- Federal Parent PLUS Loan
 - (Parent Loan for Undergraduate Students)
- State Loans
- Other Loans

Loans Interest Rates

Loan Type	2022-2023 Interest Rate*	Annual Limit for FRESHMAN*
Subsidized and Unsubsidized Loan	4.99%	\$5500-max of \$3500 in subsidized
Federal Parent PLUS Loan	7.54%	Based on Cost of Attendance

**Interest rates for 2023-2024 released in Summer 2023*

Student Loan Limits By Year in School

Year (Based on Credit Hours)	Maximum Subsidized Loan Amount	Maximum Sub/Unsub Loan Amount
Freshman	\$3500	\$5500
Sophomore	\$4500	\$6500
Junior+	\$5500	\$7500

PLUS Loan Details

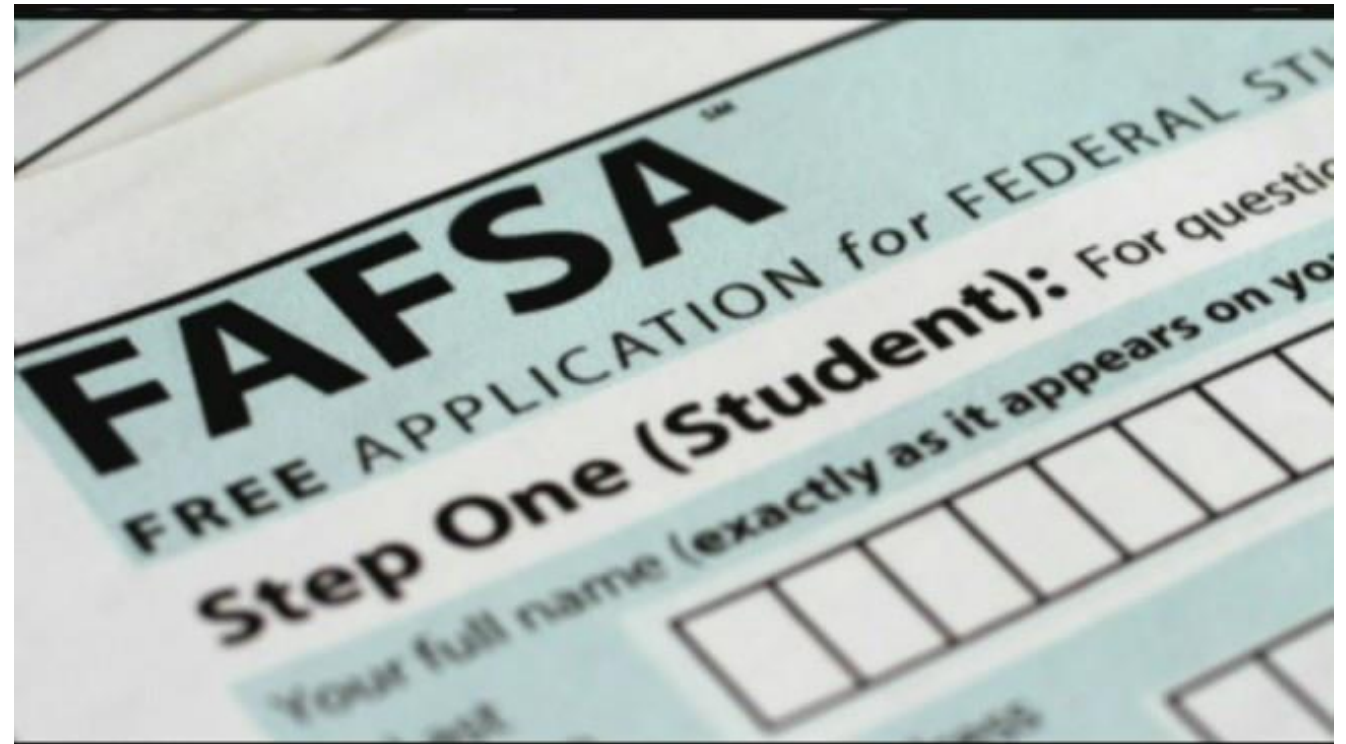
- PARENT borrows on behalf of undergraduate student
- Must pass a basic credit check
 - If parent is DENIED, additional funding may be made available for the student
- Two repayment options
 - 60 days after last payment
 - Opt-in to an in-school deferment option

State Loans/Other Loans

- State:
 - Nursing loan
 - Minority teaching loan
- Other:
 - Private student loans
 - College/University *may* have an institutional loan

It's FAFSA time!

~20 million
applications
annually



Before the FAFSA....

What is the FSA ID?

- Electronic Signature
- Student and at least ONE parent
studentaid.gov

The screenshot shows the FSA ID creation page in a Google Chrome browser. The address bar displays <https://fsaid.ed.gov/npas/index.htm>. The page header includes the Federal Student Aid logo, the text "PROUD SPONSOR of the AMERICAN MIND®", and "An OFFICE of the U.S. DEPARTMENT of EDUCATION". The main content area is titled "Create a New FSA ID" and contains the following text:

An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature.

Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member. Misrepresentation of your identity to the federal government could result in criminal or civil penalties.

To create your own personal FSA ID, enter answers for the questions below and select CONTINUE.

Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires.

Below the text is a form with two tabs: "Create An FSA ID" (selected) and "Edit My FSA ID". The form includes the following fields:

- E-mail
- Confirm E-mail
- Username *
- Password *

At the bottom of the form, there are checkboxes for password requirements: Numbers, Uppercase Letters, Lowercase Letters, Special Characters, and 8-30 Characters. A "Show Text" button is also present. To the right of the form, there are links for "Edit My FSA ID" and "Frequently Asked Questions". A small asterisk and the word "Required" are visible in the top right corner of the form area.

FSA ID Tips

- Create your OWN
- Use your LEGAL name as it appears on your SSN
- Use your MAIN email address-NOT a school email
 - Email is locked to a single user
- Write down your FSA ID so you don't forget it

How To Apply

- Online, MyStudentAid App, or paper application
- Website: **studentaid.gov**
- If you are beginning in Fall 2023:
 - FAFSA Filed: 2023-2024
 - Timing: Available October 1st, 2022
 - Taxes Used: 2021 Tax Information

What does the First “F” in FAFSA stand for?



Need money for college?

Complete the FAFSA® (*Free Application for Federal Student Aid*) form to apply for financial aid for college, career school, or graduate school.

**31 minutes:
Average
Completion
Time**

NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

[START HERE >](#)

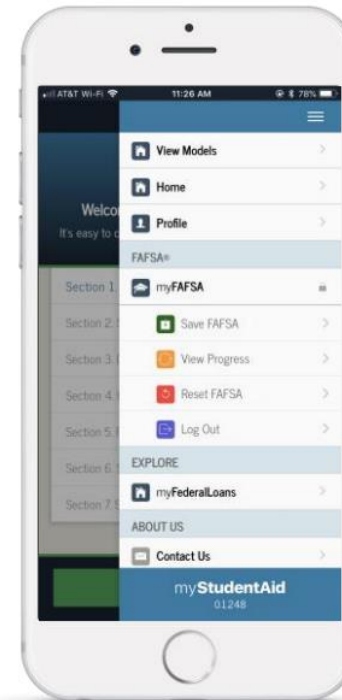
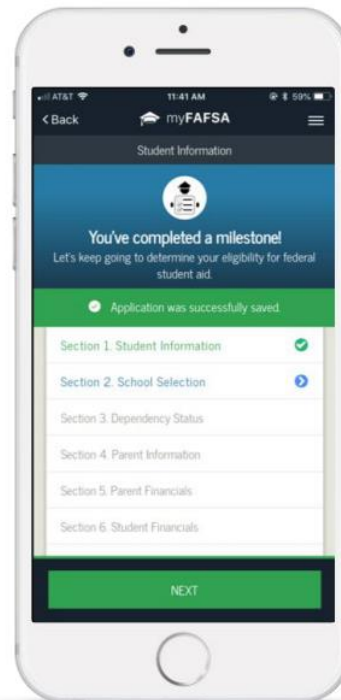
RETURNING USER?

- Make a correction
- Add a school
- View your *Student Aid Report (SAR)*

[LOG IN >](#)

FAFSA on the Phone

Launched in 2019-2020



Information needed for the FAFSA

- Driver's License #'s
- SSN and birthdates, marital status date
- Citizenship info
- Financial Information:
 - 2021 income/tax information (1040, 1099, W-2's)
 - Savings, checking, untaxed income, and investment net worth as of the date of filing the FAFSA

What is asked on the FAFSA?

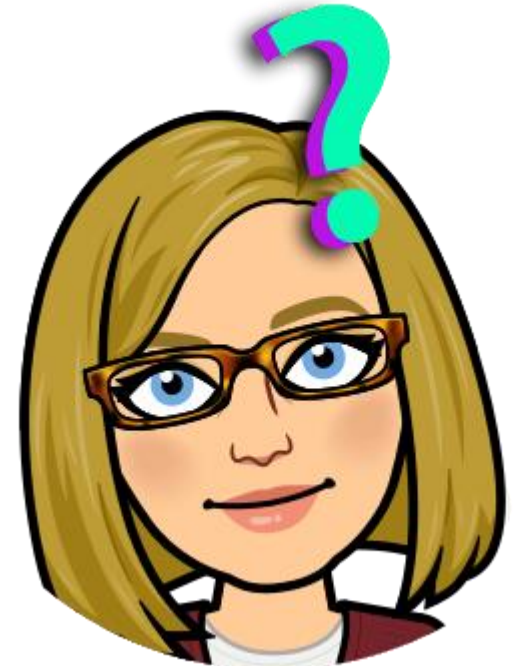
- Student biographical information
- Student school selection
- Parent biographical information
- Parent income and asset information
- Student income and asset information
- Signature page



**61% of
freshman list
only
1 School**

Common FAFSA Confusion

- Dependency Status
- Who is my parent?
- Entering Income Information
- Untaxed Income/investments
- Need Help? Call FAFSA
- 1-800-433-3243

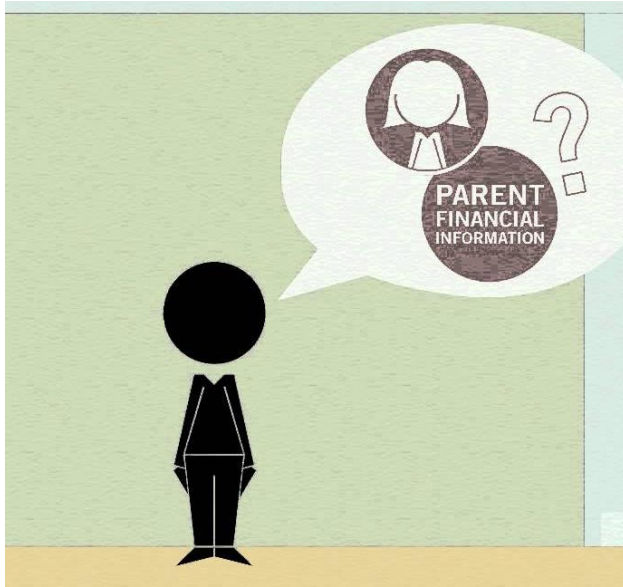


Dependent Vs. Independent

Student is Dependent IF:

- Under 24
- Not married
- Not providing 50% or more support to children/dependents
- Not on active duty/veteran
- Not orphan, ward of court, under legal guardianship, or in foster care

Dependency is not determined by:



- Parent tax filing status
- Living arrangements
- Student OR parent employment status
- Parent willingness to assist in college costs

Can Dependency be Changed?

- Yes, but only by a Financial Aid officer, and only due to:
 - Documentable neglect, abuse, abandonment
 - Documentable homelessness of student AND family
 - Death of parent(s)
 - Incarceration of parent(s)

Contact your Financial Aid Office if any of the above scenarios apply

**WHO'S MY PARENT
WHEN I FILL OUT
MY FAFSA®?**

Who is my Parent?

- Biological or adoptive parents
 - Include BOTH parents, regardless of marital status, if living together
- Same sex MARRIED couple - must be LEGALLY married
- Divorced parents
 - List the parent who provided 50% or more support

Divorce Situations

- Which parent do you list on the FAFSA?
 - Who did student live with 50% or more?
 - Which parent provided more financial support?
 - Health insurance? Cell phone plan? Car insurance?
 - Is parent re-married? → Include Step Parent

Entering Tax/Income Information

- 2023-2024 FAFSA requires **2021** tax information
 - Enter numbers manually
 - Use IRS Data Retrieval Tool (DRT) UNLESS:
 - Filed an amended return
 - Parents filed separate taxes (“married filing separate”)
 - Foreign return
 - Victim of Identity Theft



**33% Used IRS
DRT in
2020**

Get My Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.

Enter the following information as it appears on your 2013 Federal Income Tax Return. [?](#)

Required fields *

First Name *	<input type="text" value="COPPER"/>
Last Name *	<input type="text" value="C.Dog"/>
Social Security Number *	*** - ** - 8046
Date of Birth *	<input type="text" value="01"/> / <input type="text" value="01"/> / <input type="text" value="1959"/>
Filing Status * ?	Head of Household <input type="text"/>
Address - Must match your 2013 Federal Income Tax Return. ?	
Street Address *	<input type="text" value="DOE Testing"/>
P.O. Box (Required if entered on your tax return) ?	<input type="text"/>
Apt. Number (Required if entered on your tax return)	<input type="text"/>
Country *	United States <input type="text"/>
City, Town or Post Office *	<input type="text" value="FSA"/>
State/U.S. Territory *	Massachusetts (MA) <input type="text"/>
ZIP Code *	<input type="text" value="23456"/>

Select the button below to exit the IRS system and return to your FAFSA.

By submitting this information, you certify that you are the person identified. Use of this system to access another person's information may result in civil and criminal penalties.

[Return to FAFSA](#)

[Submit](#)

Tips to make it work:

- Enter your address CAREFULLY
- Make sure your tax filing status is correct
- Enter all information exactly as it appears on your 1040

2016 Federal Income Tax Information

Based on the information you provided, the Internal Revenue Service (IRS) located your income tax return. With your permission below, the IRS will securely transfer your tax information to the U.S. Department of Education (ED) to populate any applicable FAFSA® questions.

For your protection, the IRS will not display your tax information and will further encrypt any tax information transferred using the IRS DRT; therefore, ED is unable to display your tax information on your FAFSA form.

The data retrieved from your tax return is limited to the items listed below as you reported to the IRS:

Tax Year	Type of Return Filed	Untaxed Pensions
Name(s)	Adjusted Gross Income	Untaxed IRA Distributions
Social Security Number	Income Earned from Work	Tax-exempt Interest Income
Filing Status	Income Tax	IRA Deductions and Payments
IRS Exemptions	Education Credits	Status of Amended Returns Received

Refer to your tax records if you have a question about the values you reported.

Print this page for your records before choosing an option below.

Transfer My Tax Information into the FAFSA Form

- The tax information provided to [fafsa.gov](#) will populate the answers to the appropriate FAFSA questions. After the FAFSA questions are populated, your IRS session will end, and you will return to your FAFSA form. Check this box if you are choosing to transfer your information.

Transfer Now

Do Not Transfer My Tax Information and Return to the FAFSA Form

- By clicking the "Do Not Transfer" button, you are choosing not to transfer your tax information electronically. Your IRS session will end, and you will return to your FAFSA form.

Do Not Transfer

Enter the amount of your father's income tax for 2013. This amount is found on IRS Form 1040-line 55.

\$2,200 .00 **Transferred from the IRS**

Enter your father's exemptions for 2013. This amount is found on IRS Form 1040-line 6d.

1 **Transferred from the IRS**

Did your father have any of the following items in 2013? Check all that apply and provide amounts.

Additional Financial Information

- American Opportunity Tax Credit or Lifetime Learning Tax Credit

Education credits (American Opportunity Tax Credit or Lifetime Learning Tax Credit) from IRS Form 1040-line 49

\$0 .00 **Transferred from the IRS**

- Child support paid
- Taxable earnings from Work-study, Assistantships or Fellowships
- Grant and scholarship aid reported to the IRS
- Combat pay or special combat pay
- Cooperative education program earnings

Untaxed Income

- Payments to tax-deferred pension and retirement savings plans
- IRA deductions and payments to self-employed SEP, SIMPLE and Keogh

IRA deductions and payments to self-employed SEP, SIMPLE, Keogh, and other qualified plans from IRS Form 1040-total of lines 28+32

\$0 .00 **Transferred from the IRS**

- Child support received
- Tax exempt interest income

Tax exempt interest income from IRS Form 1040-line 8b

\$200 .00 **Transferred from the IRS**

Additional Income to be Reported

Untaxed Income to be reported:

- Workman's Compensation
- Child Support Paid/Received
- Payments to tax deferred pensions
- Veterans Non-Educational Benefits



Assets to be Reported

- Real estate value (not the home you live in)
- Trust funds
- UGMA/UTMA accounts in STUDENT name
- Money markets, mutual funds, stocks, bonds
- Installment and land sale contracts
- Educational benefits/educational savings accounts (example: 529 plan)

Assets NOT reported on the FAFSA

- Primary residence (includes farm)
- Life insurance
- Retirement plans
- Small business net worth (less than 100 employees)
- UGMA/UTMA accounts for someone other than the student

Sign and Submit

- Requires Student and one parent signature
 - FSA ID
 - Print signature page

Provide Signature(s)

Student Signature

How do you (the student) want to provide your signature?

Sign Electronically With My FSA ID (Fastest) [Forgot Username](#)

Print A Signature Page [Forgot Password](#)

NEED HELP?

Help and Hints

How do you (the student) want to provide your signature?

You must choose one of the

Sign With an FSA ID

Student Signature - Sign With an FSA ID

READ BEFORE PROCEEDING

By signing this application electronically using your Federal Student Aid PIN, username and password, and/or any other credential, YOU, THE STUDENT, certify that you:

1. will use federal and/or state student financial aid only to pay the cost of attending an institution of higher education,
2. are not in default on a federal student loan or have made satisfactory arrangements to repay it,
3. do not owe money back on a federal student grant or have made satisfactory arrangements to repay it,
4. will notify your school if you default on a federal student loan, and
5. will not receive a Federal Pell Grant from more than one school for the same

I, the student, agree to the terms outlined above.

Agree Disagree

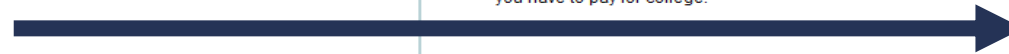
SIGN

PREVIOUS **SUBMIT MY FAFSA NOW**

Confirmation Page

Goodies:

- Option to link to sibling FAFSA
- Next steps
- Graduation and retention information
- EFC
- *Potential* eligibility for Federal Aid



2014-2015 Confirmation Page

Your confirmation page has been sent to you at the e-mail address: random@fsa.gov

[PRINT THIS PAGE](#) **Confirmation Number:** F 01500243001 11/19/2013 13:55:26
Data Release Number (DRN): 6634

Congratulations, Student! Your FAFSA was successfully submitted to Federal Student Aid.

Does your brother or sister need to complete a FAFSA? If so, you can [transfer your parents' information into a new FAFSA](#) for your brother or sister to save time. Your parents will have to provide a signature again, but that's all.

[Start your state application](#) to apply for Iowa state-based financial aid.

What Happens Next

- You will receive an e-mail version of this page.
- In 3-5 business days, you will receive an e-mail notifying you that your FAFSA was processed.
- Your FAFSA information will be made available to your school(s), and they will use it to determine the aid you may be eligible to receive.
- Your school(s) will contact you if they need more information or when they are ready to discuss your financial aid award.
- If you have questions about your financial aid package, contact your school(s).

School(s) on your FAFSA:

School Name	Graduation Rate	Retention Rate	Transfer Rate	Additional Information from College Navigator
UNIV OF ILLINOIS @ URBANA-CHAMPAIGN	84%	94%	NA	NA
ALABAMA AGRCLTL & MECHL UNIV	32%	68%	NA	NA
UNIVERSITY OF IOWA	70%	86%	24%	NA

Eligibility Information

Estimated Expected Family Contribution (EFC) = 000000
The EFC is a measure of how much you can contribute to the cost of your education. Schools use your EFC to determine your federal student aid eligibility.

The EFC is not how much aid you will receive or how much you have to pay for college.

Based on the [eligibility criteria](#), you may be eligible for the following:

[Pell Grant](#) Estimate - \$5,645.00

[Direct Stafford Loan](#) Estimate - \$5,500.00

You may also be eligible to receive other federal, state, or institutional grants, scholarships, and/or work-study.

In addition, you should learn about [federal tax benefits for education](#), including the *American Opportunity Tax Credit (AOTC)*.

What is the Student Aid Index?

- Replaces the term EFC due to the FAFSA Simplification Act; streamlining application
 - New Pell Grant Eligibility thresholds
 - Index value could be Negative
 - Index meant to measure a household ability to pay for college
 - Used as an index to determine aid eligibility

What Happens Next?

- Emailed Student Aid Report (SAR)
 - 3-5 days after FAFSA submission
 - Review for accuracy-log on to FAFSA to make changes
- Information sent to school for processing
 - Is the student Admitted?
 - Check university/college email!

Next Steps

- Submit documents needed by Financial Aid
 - Citizenship, selective service, verification
- Change in financial situation
- Award/Offer/Financial Aid notification
 - December → May depending on school

CHECK YOUR UNIVERSITY/COLLEGE EMAIL ADDRESS

Comparing Aid

- Gather ALL Financial Aid notices
- Compare with All Schools:
 - What are tuition/fees?
 - Will you need to live on campus?
 - How much grant/scholarship did you receive?
 - What other funds do you have set aside for school?

Now what?

- Follow instructions on your financial aid letter
 - Log on to schools student website/portal
 - View and Accept (if required) your aid offer
- Loans
 - Loans CAN be reduced
 - Master Promissory Note
 - Entrance Counseling
 - studentloans.gov

Minimizing Debt

- Do you need to borrow full loan?
- Do you NEED or WANT to live on campus?
- What kind of payment plans exist?
- Apply for scholarships for upcoming years
- Can you pay on your loan while in school?

Borrowing in ***moderation*** is key!

What if your offer is not enough?

- Parent PLUS loan
 - [Studentloans.gov](https://studentloans.gov) to apply
- Private Student Loan
 - Generally in student name, but will need cosigner
 - Some Parent Private loans are available
- Payment plan options
 - Balance divided either over the semester or academic year—will vary depending on school

Financial Aid Reminders

- Submit ALL documents requested as early as possible
- Stay in contact with your schools Financial Aid Office
- Complete the FAFSA every year
- Apply for scholarships every year, they aren't just for freshmen!
- Watch for scams, you should **NEVER PAY MONEY** for the FAFSA or scholarship applications

Websites-Resources

- FAFSA: studentaid.gov
- FAFSA Help line 1-800-433-3243
- FSA ID: studentaid.gov (Create Account)
- Student Loan applications: studentloans.gov
- Information about Federal aid:
studentaid.gov
- National Student Loan Data System (Federal student loan debt): nslds.ed.gov



A Little Note About FERPA

- ALL student information protected BY LAW
- Family Education Rights and Privacy Act
 - No information released without WRITTEN consent
 - Billing, Financial Aid, Grades, Registration, Housing, Disciplinary Issues, etc

Thank You!!!



University of Wisconsin-Parkside
Scholarships and Financial Aid

(262) 595-2574

finaid@uwp.edu

www.uwp.edu

