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# Financial Aid Essentials



Handouts



Resources



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# Explaining Financial Aid

As a school counselor, your job has a wide range of responsibilities. Preparing students for college admission, and specifically their financial aid options, is a focus that your students and their families rely on you to explain. You don't need to be an expert, but you do need a basic understanding of college costs and be able to explain exactly what financial aid is—and how it can help them to afford college. It's even better when you can provide them with authoritative sources on costs, aid applications, scholarships, and loans. This booklet offers a wealth of information on financing college and provides details as to where you can get key updates from reliable sources.

## FEDERAL STUDENT AID RESOURCES

The Financial Aid Toolkit, at [financialaidtoolkit.ed.gov](https://financialaidtoolkit.ed.gov), is a site specifically designed for the school counselor or college access professional. The toolkit consolidates FSA resources into a searchable online database intended for use by organizations and individuals who interact with, support, or counsel students and families on making financial preparations for postsecondary education. Visit the toolkit for the following:

- General information about the FAFSA®, as well as tips and talking points for your outreach to students
- Updates on when various FAFSA materials will be available as the new FAFSA season approaches
- Items you can use in your outreach, including fact sheets, videos, infographics, sample tweets, and more

**Studentaid.gov** is a site for students and parents. It provides detailed information about the FAFSA, the FSA ID, the IRS Data Retrieval Tool, student dependency status, reporting parent information, and what happens after the FAFSA is submitted.

(Source: Federal Student Aid, Department of Education)



### Federal Student Aid Resource Websites:

For school counselors or college access professional:  
[financialaidtoolkit.ed.gov](https://financialaidtoolkit.ed.gov)

For students and parents:  
[studentaid.gov](https://studentaid.gov)



**See Handout:** What You Should Know About FAFSA: The Free Application for Federal Student Aid. (p. 21)

**See Handout:** IRS Data Retrieval Tool (FAQs) (p. 20)

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# How Colleges Calculate Need

Even though most students qualify for some type of financial aid, the family almost always is expected to contribute some money. This dollar amount is called the Expected Family Contribution (EFC). The EFC is an index number that college financial aid staff use to determine how much financial aid a student will receive.

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## **Cost of Attendance – EFC = Need**

The EFC is not the amount of money a family will have to pay for college. Nor is it the amount of federal aid the student receives. The college determines whether the student has financial need by using this formula: Cost of attendance minus the student's EFC equals financial need. Need-based aid is financial aid a student can receive if need exists. For example, if the cost of attendance is \$6,000 and the EFC is \$2,000, the financial need is \$4,000, and the student is eligible for no more than \$4,000 in need-based aid.

Unfortunately, not all colleges have enough aid to meet full need. At these colleges, a "gap" in the financial aid package can exist. The family may meet the shortfall through a variety of sources, such as their personal funds, student loans, or scholarships.

## **It depends on the college**

The amount of aid a student receives—along with the kind of aid received—ultimately depends on the college and their available resources. Formulas and forms are important, but so is the professional judgment of the financial aid officer. And so is the desire of the college to attract that student to its campus.



It's important to note, that some colleges may provide aid awards based on a first-come, first-served basis, and most adhere to strict deadlines.

Colleges rely on two basic methods to calculate the Expected Family Contribution (EFC). The Federal EFC serves as an “eligibility index” used to determine the student’s potential qualification for federal and, sometimes, state funds. With the exception of the Federal Pell Grant and federal student loans, the college determines the amount of federal aid to award a student based on the college’s federal funding allocation and available dollars. The Institutional EFC helps some colleges determine the student’s eligibility for nonfederal institutional funds. (Some colleges use the Federal EFC to determine eligibility for federal as well as nonfederal funds.)

### **Federal Methodology (FM)**

is a formula established by Congress to determine EFC and federal financial aid eligibility. The formula takes into consideration income, assets, expenses, family size, and other factors to help evaluate a family’s financial ability to pay for college. The Free Application for Federal Student Aid (FAFSA) is the online form used in reporting the information that determines EFC under the FM. All students applying for federal aid need to complete the FAFSA. (In general, most students applying for financial aid from other sources should also complete the FAFSA). A family should file the FAFSA at least once. This gives the college a chance to review their information.

### **Institutional Methodology (IM)**

is a need analysis system that nearly 400 colleges and scholarship programs use to award nonfederal aid. These colleges believe that IM provides a more comprehensive view of a family’s ability to pay than FM. These colleges use IM to distribute their need-based funds equitably to the most deserving students. IM was developed by financial aid practitioners and is based on up-to-date consumer research and tax policy. In addition to evaluating family assets, it also allows for a more generous treatment of medical/dental expenses and efforts to put money aside for education, emergencies, and other special circumstances. Because many colleges use IM to award their own money, the results and use of the formula can vary from college to college. For example, some colleges offer additional funds to parents who are paying for private school tuition or who live in areas of the country with a higher-than-average cost of living. Most colleges that use an alternative formula to award their funds require families to complete an application form in addition to the FAFSA. Frequently this is the CSS Profile™ (detailed on page 7).

## FAFSA

Every student applying for financial aid must complete the FAFSA on the web at [fafsa.gov](https://fafsa.gov). The federal government annually publishes an excellent booklet: *Counselors and Mentors Handbook on Federal Student Aid*. This easy-to-use reference (in English and Spanish) provides information to help counselors advise students about financial aid, with an emphasis on federal student aid programs.

FAFSA has an easily navigated website [fafsa.gov](https://fafsa.gov). A link to create an FSA ID can be found on this website. Students, parents, and borrowers of federal student loans are required to use an FSA ID, made up of a username and password, to access certain U.S. Department of Education websites. The FSA ID is used to confirm the student's identity when accessing financial aid information and electronically signing federal student aid documents. FAFSA provides online help, uses skip logic to streamline the completion process, and allows the family to edit their information. Families also have the option to complete their FAFSA using the IRS Data Retrieval Tool, which ensures a more accurate submission and quicker turnaround. A PDF version of the FAFSA is available in Spanish as well as English.

## HELPFUL FAFSA TOOLS

### Tracking FAFSA completion

In 2012, the U.S. Department of Education released a tool designed to help counselors keep track of the number of students in their high school who have completed and submitted the FAFSA. The tool provides high schools with current data to ensure that students complete a FAFSA and are potentially eligible for federal student aid. The high school data is updated weekly. **Note:** If a student submits a FAFSA that is missing required information, the FAFSA will not appear in the data until the missing information is completed and the form resubmitted.

To access the tool, go to the "FAFSA Completion by High School" page at [studentaid.ed.gov/sa/about/data-center/student/application-volume/fafsa-completion-high-school](https://studentaid.ed.gov/sa/about/data-center/student/application-volume/fafsa-completion-high-school).

### FAFSA4caster

This online tool provides an early estimate of federal student aid eligibility to help families financially plan for college. Students provide some basic information and receive an estimate of their eligibility for federal student aid. The estimate will be shown in the "College Cost Worksheet," in which estimated amounts of other student aid and savings can be noted.



Download *Counselors and Mentors Handbook on Federal Student Aid* from [financialaidtoolkit.ed.gov](https://financialaidtoolkit.ed.gov).



**See Handout:** What You Should Know About FAFSA: Free Application for Federal Student Aid. (p. 21)

**See Handout:** IRS Data Retrieval Tool (FAQs) (p. 20)



**Note:** Remind students and families that they should never pay to complete the FAFSA. It is a free application.



To access fafsa4caster, go to: [fafsa.ed.gov/FAFSA/app/f4cForm](https://fafsa.ed.gov/FAFSA/app/f4cForm).

## FAFSA Demonstration Site

The FAFSA demonstration site is available so you can increase your own understanding of [fafsa.gov](https://fafsa.gov) and show it to students before they apply. At the FAFSA demo site, you can complete a sample FAFSA form, make corrections, or check the status of the form. However, when you choose "submit," the information is not actually submitted. The site is purely a learning tool.

The demo site is updated in September each year to show the upcoming year's form.

Learn more at [fafsademo.test.ed.gov](https://fafsademo.test.ed.gov).

\*Source: [financialaidtoolkit.ed.gov](https://financialaidtoolkit.ed.gov)

## myStudentAid app

Students and parents can complete the FAFSA using this app. On the myStudentAid app, users can access their profile, myFederalLoans, myCollegeScorecard, and [StudentAid.gov](https://StudentAid.gov).

If downloaded prior to October 1, they must download an update to ensure they access the correct year's form.

## CSS Profile

The CSS Profile is a web-based financial aid application. Some colleges and universities require students to complete the CSS Profile to receive their nonfederal, institutional financial aid. Each year millions of dollars in private, institutional funds are awarded to thousands of students attending colleges that use the CSS Profile.

Students can sign in and complete their application at [cssprofile.org](https://cssprofile.org). Resources, guides, tutorials, live chat feature, and a list of participating colleges are also available on the CSS Profile homepage. An at-a-glance dashboard also allows the student to quickly check the status of the application and to review school-specific messages.

## CSS Profile fee waivers

Providing eligible students with fee waivers for College Board programs and services is integral to our mission of connecting students to college success and opportunity.

First-year undergraduate college applicants whose parents live in the U.S. may receive CSS Profile fee waivers if:

- The student qualified for an SAT® fee waiver; or
- The parental income reported on their CSS Profile falls within the federal reduced-price or fee lunch program guidelines; or
- The student is an orphan or ward of the court under the age of 24.



Visit [cssprofile.org](https://cssprofile.org) to learn more about the CSS Profile application.

**Customer Support** is available for counselors and families.

[collegeboard.org/contact-us#css](https://collegeboard.org/contact-us#css)



Learn more about **CSS Profile Fee Waivers**.  
[css.profile/collegeboard.org/pdf/css-profile-fee-waivers.pdf](https://css.profile/collegeboard.org/pdf/css-profile-fee-waivers.pdf)



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# How Is Financial Aid Awarded?

When colleges send out financial aid award letters, counselors urge students to compare awards carefully to determine their net cost (often called “net price”) to attend each college.

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Many counselors use or direct students to tools to compare award letters such as the College Board’s Compare Your Aid Awards tool ([bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator](https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator)) or the Consumer Financial Protection Bureau ([consumerfinance.gov/paying-for-college/](https://consumerfinance.gov/paying-for-college/)). Students and their parents can fill in the information from each college and analyze the mixture of loans, grants, and work-study at each college.

A financial aid package will often consist of:

- Grants
- Loans
- Work-Study
- Scholarships

You may need to help students understand that they must compare awards carefully. For example, a \$14,000 financial aid package awarded by one college may look like a better deal because it is twice as large as a \$7,000 financial aid package offered by another college. Yet, as is illustrated in the following chart, this may not always be the better deal. In the following example, the larger package leaves the family with a much greater burden—a larger loan and unmet need.

	COLLEGE A	COLLEGE B
Cost of Attendance	\$ 14,000	\$26,000
Family Contribution (EFC)	\$7,000	\$7,000
<b>Financial Need</b>	<b>\$7,000</b>	<b>\$19,000</b>
College Grant (Gift Aid)	\$5,000	\$10,000
Work	\$1,000	\$0
Loan	\$1,000	\$4,000
<b>Unmet Need</b>	<b>0</b>	<b>\$5,000</b>
Total Financial Aid	\$7,000	\$14,000
Net Price (Cost – Gift Aid)	\$9,000	\$13,000
% of Award That Is Gift Aid	71%	71%
% of Award That Is Loan	14%	29%
% of Award That Is Work	14%	0%

## WHAT AWARD LETTERS LOOK LIKE

College award letters can vary in appearance, and it is often not immediately apparent what the “bottom line” is. The two sample award letters on the following pages were taken from actual letters received by a student. No information was changed except for the names of the colleges. The colleges are now “Blue University” and “Green University.” The student’s first-choice college was Blue U, but it cost about \$2,000 more than Green U. When the student first compared the letters, she was confused. Fortunately, she showed the letters to her school counselor, who helped the family understand the differences in the award packages.

# Green University

Office of Student Financial Planning

## Sample Award Letter

Dear Potential Student,

We are pleased to offer you the financial aid award outlined below for academic year 20XX-XX.

Cost of Attendance: \$26,005.00

Circle A for Accept or D for Decline for each individual award where indicated below:

	FALL	SPRING	TOTAL	ACCEPT / DECLINE
Presidential Freshman Scholarship	\$3,250	\$3,250	\$6,500	A / D
Green University Grant	\$705	\$705	\$1,410	A / D
<b>Total Grants and Scholarships</b>			<b>\$7,910</b>	
Federal Unsubsidized Direct Loan	\$1,313	\$1,312	\$2,625	A / D
<b>Total Student Loans</b>			<b>\$2,625</b>	
Federal College Work-Study	\$330	\$330	\$660	A / D
Federal PLUS Loan and/or Green Partnership Loan	\$7,405	\$7,405	\$14,810	

Please note the following:

The amount of your Green University Grant was based on residence hall occupancy for the fall and spring terms. A change of housing status may result in a reduction of this award.

Your awards are not final until you complete and return this form by May 1, 20XX.

Sincerely,

Office of Financial Aid

phone: 555-555-9999 • fax: 555-555-1111

greenuniversity@greenuniversity.com • www.greenuniversity.com

# Blue University

Office of Student Financial Planning

## Sample Award Letter

Dear Potential Student,

Based on the information you submitted on your FAFSA and to our office, Blue University can offer you the following TENTATIVE awards. This package is based on an award period from 09/10/XX to 06/06/XX.

Cost of Attendance: \$28,706.00

AID AWARD	ACCEPT AWARD		OFFERED AMOUNT
	YES	NO	
Federal Perkins Loan	_____	_____	\$ 1,143
State Work-Study	_____	_____	\$2,400
<b>Blue Educational Grant</b>	_____	_____	\$ 3,538
University Scholarship	_____	_____	\$2,000
<b>Residence Hall Grant</b>	_____	_____	\$2,000
Federal Direct Loan – Sub.	_____	_____	\$2,625

Finalize your financial aid award as soon as possible by forwarding to our office the forms listed on the Missing Documents Form included with this letter.

Indicate your intent by checking whether or not you accept each aid award, then sign and return this letter by May 1, 20XX, in order to reserve your award(s).

Sincerely,

Office of Financial Aid

phone: 555-555-1212 • fax: 555-555-5785  
blueuniversity@blueu.com • www.blueu.com

	Green U PLUS Loan included in aid package	Green U PLUS Loan excluded from aid package	Blue U
Cost of Attendance	\$ 26,005	\$26,005	<b>\$28,706</b>
College Grant/Scholarship	\$7,910	\$7,910	<b>\$7,538</b>
<b>Work</b>	<b>\$660</b>	<b>\$660</b>	<b>\$2,400</b>
Loan	\$17,435	\$2,625	<b>\$3,768</b>
Total Financial Aid	\$26,005	\$11,195	<b>\$13,706</b>
Net Price (Cost – Gift Aid)	\$18,095	\$18,095	<b>\$21,168</b>
<b>% of Award That Is Gift Aid</b>	<b>30%</b>	<b>71%</b>	<b>55%</b>
% of Award That Is Loan	56%	23%	28%
% of Award That Is Work	3%	6%	18%

One of the biggest points of confusion for the student was the PLUS Loan. PLUS loans are not commonly awarded upfront in an aid package because a credit check is required. Parents are eligible to borrow a PLUS loan if they do not have an adverse credit history. The above chart shows how Green U compares to Blue U with and without the PLUS loan as a part of the aid package. The common measure between both universities is the net price or the total cost of attendance less grants and scholarships. In this comparison, the net price for Green U is more than \$3,000 less than Blue U. It is also important to note the differences in the loans offered. The Federal Direct Loan offered at Green U is unsubsidized. This means the student's loan will accrue interest while in college. The loans offered by Blue U are more attractive, subsidized loans that do not accrue interest while the student is enrolled at least half time. Comparing net price, the percentage of the award from loan, work, grant, and any terms associated with the awards will help families make more information decisions.

### Appealing or mediating a financial award

Students may ask you to help them appeal what they regard as an insufficient aid award. It is best for the family to deal directly with the college but, in some cases, students might want the counselor to help make their case. If you are aware of a change in family circumstances since the student's financial aid application was submitted, or of information that was not reported on the original application, you can be an important advocate for the student. Families may want to provide information that was not asked on the financial aid forms or explain why the EFC is not reasonable. Students, parents, and school counselors should understand the college's appeal policies before contacting the financial aid office for such requests.



Comparing awards from five or six or more colleges can make it challenging to determine what the college is offering.

BigFuture™ has an **online Compare Your Aid Awards tool** that helps students do a side-by-side comparison of their awards.

[bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator](https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator)

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# Planning Helpful Financial Aid Activities for Families

Many counselors provide a variety of activities centered on the topic of financing college.

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## **Financial Aid Nights:**

One of the most common methods for providing financial aid information, this event may be presented in several different formats.

- One presenter: This format usually is presented by a financial aid officer from an area college/university and covers the basic elements regarding the financial aid process. These representatives can speak in broad terms and provide information that students and parents can find helpful regardless of the colleges to which they are applying. State agencies and local nonprofit organizations may also have financial aid representatives who can participate in financial aid activities.
- Panel: This format may include financial aid representatives from several different institutions (community college, public university, private college). These officials can cover both the basic information and provide insight into the differences in the financial aid process based on the different postsecondary settings.
- College Fair/College Nights: During college fair events, specific breakout sessions are available on financial aid, presented by an area college financial aid representative.

## **FAFSA Completion Assistance Activities:**

Many schools schedule late day/evening sessions for students and parents to provide them with assistance in completing the FAFSA and to answer family-specific questions.

These events can include:

- Volunteer aid administrators from local colleges/universities
- College access organization volunteers
- Specialized school or district financial aid counselors
- School computer labs
- Refreshments/dinner
- Childcare

#### **Publicity for events:**

- Press releases to the local newspaper
- Announcements in counselor newsletters
- School website
- School social media such as school Twitter account
- Flyers at school gatherings (sports games, fine arts concerts, etc.)
- Cell phone notifications via apps such as Remind

#### **Classroom Experience:**

Some schools familiarize their students with postsecondary financial aid information within the classroom. These activities include:

- Counselor presentations (grades 9–12)
- Math and economics classes: using printable paper FAFSA worksheets, graphs, and charts, etc.

#### **Videos and Webinars:**

Counselors can provide information on videos and webinars for parents and students on various financial aid topics that they can view at their convenience. A list of what is available can be located on the resources page at [financialaidtoolkit.ed.gov](http://financialaidtoolkit.ed.gov).

#### **Extra credit:**

Many counselors take the time to complete a FAFSA online for themselves (but do not submit!). This exercise is a wonderful teaching tool for assisting the families who need your help the most.

#### **Helpful Handouts and Resources**

- 20 Questions to Ask About Financing College (located on page 29)
- “Types of Federal Student Aid” video ([studentaid.ed.gov/sa/types](http://studentaid.ed.gov/sa/types))
- Search site for a variety of handouts ([financialaidtoolkit.ed.gov/tk/resources.jsp](http://financialaidtoolkit.ed.gov/tk/resources.jsp))
- BigFuture has a robust Educator Resource Center that provides counselors with college planning handouts and presentations to support their work with students and families. [bigfuture.collegeboard.org](http://bigfuture.collegeboard.org)

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# Financial Aid and Undocumented Students

Advising undocumented students is among the most challenging of responsibilities because of a constantly changing policy landscape. The questions and answers that follow, along with the websites provided, offer information about financial aid for undocumented students, as well as information for a specific subgroup of undocumented students who have received Deferred Action for Childhood Arrivals (DACA).

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## DACA Policy Update

For more information on changes to DACA and other policies affecting undocumented students, visit the U.S. Department of Homeland Security at [uscis.gov/daca2017](https://uscis.gov/daca2017) or the Immigrant Legal Resource Center at [ilrc.org](https://ilrc.org).

## Who are undocumented students?

Undocumented students are students who are not U.S. citizens, U.S. nationals, or “eligible noncitizens.” Undocumented students are sometimes referred to as “Dreamers.” This term generally refers to undocumented youths who have lived in the United States from a very young age. The term “Dreamers” is derived from the legislation introduced in Congress and known as the “DREAM Act.” Within the larger group of undocumented students, there is a subgroup of students who have received Deferred Action for Childhood Arrivals.



For specific guidance from the Department of Education, review Questions and Answers: [Financial Aid and Undocumented Students](#).

For the latest guidance from Homeland Security on DACA, visit: [uscis.gov/childhoodarrivals](https://uscis.gov/childhoodarrivals)



### **Who is a DACA student?**

A DACA student has received deferred action under the Deferred Action for Childhood Arrivals process. Most DACA students are also granted work authorization. If a DACA student is granted deferred action and employment authorization, the student may be eligible for a Social Security number. For more information about obtaining a Social Security number, visit [socialsecurity.gov/pubs/deferred\\_action.pdf](https://socialsecurity.gov/pubs/deferred_action.pdf).

### **What is a mixed-status family?**

A "mixed-status family" is a family whose members include people with different citizenship or immigration statuses. One example of a mixed-status family is one in which the parents are undocumented, and the children are U.S.-born citizens.

Source: [www.nilc.org](http://www.nilc.org)

### **Are undocumented or DACA students eligible for federal student aid?**

No. Undocumented students, including DACA students and Dreamers, are not eligible for federal student aid. However, they may be eligible for state or college financial aid. Most states and colleges use information collected on the Free Application for Federal Student Aid (FAFSA) to determine aid eligibility. If a student has a Social Security number, they may complete the FAFSA. Even if a student has a Social Security number, counselors should check with the college or career school financial aid office to see whether completing the FAFSA is the way to apply for state and college aid.

### **Are undocumented or DACA students eligible for in-state tuition?**

It depends. In some states, undocumented students, or specifically DACA students, are eligible to receive in-state tuition.

### **Is a Social Security number required to complete the FAFSA?**

Yes. A Social Security number is necessary to complete the FAFSA. A Social Security number is also required to apply for a FSA ID, which can be used to electronically sign the FAFSA. Most undocumented students are not eligible for a Social Security number; thus, they cannot complete the FAFSA. However, DACA students with Social Security numbers can complete the FAFSA. Still, even if a student has a Social Security number, counselors should check with the college or career school financial aid office to see whether completing the FAFSA is the way to apply for state and college aid.



The National Immigration Law Center tracks activities related to state funding of higher education for undocumented students. Visit: [nilc.org](http://nilc.org)

The Mexican American Legal Defense and Educational Fund supplies a list of scholarships available to all students regardless of immigration status. Visit: [maldef.org](http://maldef.org)

**Does a parent's citizenship status affect eligibility for federal student aid?**

No. Parents' citizenship status does not affect eligibility for federal student aid. In fact, the FAFSA doesn't even ask about parental citizenship status.

**In order to complete the FAFSA, do parents need Social Security numbers?**

No. Because parents' citizenship does not affect the ability of the student to complete the FAFSA, they do not need Social Security numbers. If a student's parents do not have Social Security numbers, they must enter 000-00-0000 when the FAFSA asks for parents' Social Security numbers. If parents do not have Social Security numbers, they must print out the signature page from the online FAFSA so that they can sign it and send it in.

Tip: If using 000-00-0000 for both parents triggers an error message when completing the FAFSA, try using 123-45-6789 for the second parent.

**On the FAFSA, how do students answer the question that reads, "Are you a U.S. citizen?"**

DACA students must answer that question by selecting the option "No, I am not a citizen or eligible noncitizen."

**On the FAFSA, how do students answer the question that reads, "What is your state of legal residence?"**

The state of legal residence is their true, fixed, and permanent home. The fact that they are DACA students does not affect how they should answer this question for purposes of completing the FAFSA. Note that each state determines legal residency differently. School counselors should contact the respective college or career school financial aid office for assistance with state of legal residence qualifications.

**On the FAFSA, how do students answer the question that reads, "What is your parents' state of legal residence?"**

The parents' answer should reflect their true, fixed, and permanent home. Parents' legal immigration status does not affect how they should answer this question for purposes of completing the FAFSA. Again, each state determines legal residency differently, and school counselors should contact the respective college or career school financial aid office for more assistance.

### **On the FAFSA, how do students submit their tax information?**

If they are completing the FAFSA online and they filed their income tax return with the Internal Revenue Service (IRS), they may be able to access the information through the IRS Data Retrieval Tool. If they did not file an income tax return with the IRS, they enter the requested financial information manually on the FAFSA website.

### **On the FAFSA, how do parents submit their tax information?**

If they are completing the FAFSA online at [fafsa.gov](https://fafsa.gov) and they filed their income tax returns with the IRS and meet certain requirements such as having Social Security numbers, they may be able to access their tax information through the IRS Data Retrieval Tool. If the parents did not file their income tax returns with the IRS, they can enter the requested information manually on the FAFSA website.

Source: Department of Education



Find more information about federal student aid and the FAFSA at [studentaid.gov](https://studentaid.gov).

Students and parents can also check the financial aid websites for the colleges and universities in which they are interested to learn more about institutional or independent scholarships that might be available.



**HANDOUTS**



**RESOURCES**

# IRS Data Retrieval Tool (FAQs)

Because most families have filed their taxes by the time the FAFSA® application opens, families can use the valuable IRS Data Retrieval Tool. The IRS Data Retrieval Tool lets students and parents transfer their IRS tax return information from the IRS website directly into their FAFSA. Following the 2017-18 FAFSA, additional security and privacy protections have been added to address concerns that data from the tool could be used by identity thieves to file fraudulent tax returns. To learn more about the IRS Data Retrieval Tool, visit [StudentAid.gov/irsdrdt](https://studentaid.gov/irsdrdt).

**Although it is not required, there are benefits to using the IRS Data Retrieval Tool:**

- It's the easiest way to provide your tax return information.
- It's the best way to make sure your FAFSA has accurate tax return information.
- It may mean you don't have to send more documents to your college.

## AM I ELIGIBLE TO USE THE IRS DATA RETRIEVAL TOOL?

Most students and parents who filed a U.S. tax return with the Internal Revenue Service are eligible to use the IRS Data Retrieval Tool (DRT) if they have already filed their taxes.

However, there are a few scenarios in which students and parents are ineligible to use the IRS DRT, such as:

- The student/parent is married, and either the student/parent or his/her spouse filed as Married Filing Separately.
- The student/parent is married, and either the student/parent or his/her spouse filed as Head of Household.
- The parents' marital status is "Unmarried and both legal parents living together."
- The student/parent filed a Puerto Rican or foreign tax return.

Any students or parents who meet these criteria will need to enter their tax return information manually.

Additionally, students or parents who filed their tax returns electronically within three weeks of completing their FAFSA, or through the mail within the last 11 weeks, might need to enter their tax return information manually or return at a later date to transfer their tax return information into the FAFSA, as their tax return information might not be available for transfer from the IRS.

## HOW DOES THE IRS DATA RETRIEVAL TOOL WORK?

1. Log in to your current FAFSA form or start a new application at [fafsa.gov](https://fafsa.gov).
2. In the finances section of the online form, you will see a "Link to IRS" button if you are eligible to use the IRS DRT.
3. Click the "Link to IRS" button and log in with your FSA ID to be transferred to the IRS to retrieve your info.
4. Once at the IRS site, enter your information exactly as it appears on your federal income tax return and click the "Submit" button.
5. Check the "Transfer My Tax Information into the FAFSA form" box, and click the "Transfer Now" button.
6. You will know that your federal tax return information has been successfully transferred because the words "Transferred from the IRS" will display in place of the IRS information in your FAFSA form.

For your protection, your tax information will not be displayed on either the IRS site or [fafsa.gov](https://fafsa.gov).



# What You Should Know About FAFSA

## THE FREE APPLICATION FOR FEDERAL STUDENT AID

### WHAT IS FEDERAL STUDENT AID?

Federal student aid comes from the federal government—specifically, the U.S. Department of Education. It's money that helps a student pay for higher education expenses (i.e., college, career school, or graduate school expenses). Federal student aid covers expenses such as tuition and fees, room and board, books and supplies, and transportation. There are three main categories of federal student aid: grants, work-study, and loans.

### WHO GETS FEDERAL STUDENT AID?

Every student who meets certain eligibility requirements can get some type of federal student aid, regardless of age or family income. Some of the most basic eligibility requirements are that you must:

- demonstrate financial need (for most programs—to learn more, visit [studentaid.gov/how-calculated](https://studentaid.gov/how-calculated));
- be a U.S. citizen or an eligible noncitizen;
- have a valid Social Security number;
- register (if you haven't already) with Selective Service if you're a male between the ages of 18 and 25;
- maintain satisfactory academic progress in college or career school; and
- show you're qualified to obtain a college or career school education by
  - having a high school diploma or a General Educational Development (GED) certificate or a state-recognized equivalent; or
  - completing a high school education in a homeschool setting approved under state law; or
  - enrolling in an eligible career pathways program.

Find more details about eligibility requirements at [studentaid.gov/eligibility](https://studentaid.gov/eligibility).

## STEP 1

Create an FSA ID. Students, parents, and borrowers are required to use an FSA ID, made up of a username and password, to access U.S. Department of Education

websites. Your FSA ID is used to confirm your identity and electronically sign your federal student aid documents. To create an FSA ID, visit [studentaid.gov/fsaid](https://studentaid.gov/fsaid).

## STEP 3

Complete the Free Application for Federal Student Aid (FAFSA®) at [fafsa.gov](https://fafsa.gov). The FAFSA is available from Oct. 1, to June 30. But you need to apply as soon as you can! Schools and states often use FAFSA information to award

nonfederal aid, and their deadlines are usually earlier in the year. You can find state deadlines at [fafsa.gov](https://fafsa.gov). Also check with the schools you're interested in for their deadlines.

## STEP 4

If you are eligible to use the IRS Data Retrieval Tool (DRT), we strongly urge you to use the tool. It's the easiest way to provide your tax data and the best way of being sure that your FAFSA has accurate tax information. The IRS

DRT lets students and parents get the IRS tax return information they need to complete the FAFSA, and to transfer the data directly into their FAFSA from the IRS website.

## STEP 5

Review your Student Aid Report. After you apply, you'll receive a Student Aid Report, or SAR. Your SAR has the information reported on your FAFSA and usually includes your Expected Family Contribution (EFC). The

EFC is a number (not a dollar amount) used to determine your eligibility for federal student aid. Review your SAR information to make sure it's correct. The school(s) you list on your FAFSA will get your SAR data electronically.

## STEP 6

If you are selected for verification, your school's financial aid office will ask you to submit tax transcripts and other documents, as appropriate. Be sure to meet the school's deadline, or you will not be able to receive federal student

aid. Whether you're selected for verification or not, make sure the financial aid office at the school has all the information they need to determine your eligibility.

## STEP 7

Contact the financial aid office if you have any questions about the aid being offered. Review award packages from schools to compare amounts and types of aid being offered. Decide which school to attend based on a combination of (a) how well the school suits your needs and (b) its affordability after all aid is taken into account.

### Note:

**You also might be able to get financial aid from your state government, your school, or a private scholarship. Research nonfederal aid early (ideally, start in the spring of your junior year of high school). Be sure to meet all application deadlines!**



# Financial Aid Checklist

College is usually more affordable than many families think, thanks to financial aid. The checklists below offer a step-by-step guide to help you navigate the financial aid process and get the most money possible for college.

## FRESHMAN/SOPHOMORE YEAR

- Find out how financial aid can help you afford college.** You might be surprised by how affordable a college education can be. Check out [7 Things You Need to Know About Financial Aid](#).
- Learn the basics of college costs.** Besides tuition, what expenses do college students have to cover? Find out by reading [Quick Guide: College Costs](#).
- Get an idea of what college might really cost you.** Check out [9 Things You Need to Know About Net Price](#) to learn why you may not have to pay the full published price of a college. Then pick a college you're interested in, and go to [College Search](#) to find its profile. Click the Calculate Your Net Price button to see that college's estimated net price for you—the cost of attending a college minus grants and scholarships you might receive. Save the data you enter, when possible, so you can recompute the net price as college gets closer.
- Talk to your family about ways to pay for college.** Discuss the options, and share ideas about how your family might pay for it.
- Save money for college.** Bank part of your birthday money, your allowance, or your earnings from chores or an after-school job for future college expenses. Even a small amount can be a big help when you're buying textbooks and school supplies later on.
- Challenge yourself inside the classroom.** Good grades not only expand your college opportunities but also can help you pay for college. Some grants and scholarships—money you don't have to pay back—are awarded based on academic performance.
- Get involved in activities you like.** Your activities outside the classroom—playing sports, volunteering, and participating in clubs—can lead to scholarships that will help you afford college.

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## JUNIOR YEAR: SUMMER/FALL

- Take an inventory of your interests and passions.** Scholarships are based not only on academic achievement. Many scholarships award money for college based on a student’s activities, talents, background, and intended major.
- Research the various types of financial aid.** Find out the difference between a grant and a loan, the way work-study can help with college costs, and more. Read [Financial Aid Can Help You Afford College](#).
- Continue talking with your family about paying for college.** Start planning your financial strategy. Most families use a combination of savings, current income, and loans to pay their share of tuition and other costs.
- Take the PSAT/NMSQT®.** Juniors who take the PSAT/NMSQT, which is given in October, are automatically entered into the National Merit® Scholarship Program. Organizations such as the American Indian Graduate Center, Asian & Pacific Islander American Scholarship Fund, Hispanic Scholarship Fund, Jack Kent Cooke Foundation, and United Negro College Fund use the

PSAT/NMSQT and PSAT™ 10 to identify students for scholarships.

- Learn the difference between sticker price and net price.** A college’s sticker price is its full published cost, while the net price is the cost of attending a college minus grants and scholarships you receive. Knowing the difference will help you understand why most students pay less than full price for college. Read [Focus on Net Price, Not Sticker Price](#) to learn more.
- Get perspectives and tips from people who know.** Visit the [Video Gallery](#) to watch short videos of college students and education professionals talking about paying for college.
- Think about getting college credit while you’re still in high school.** Consider taking Advanced Placement® Program (AP®) classes and exams, which can count for college credit, placement, or both, and may help you save money. Read [Getting College Credit Before College](#) to learn more about AP and other college-level courses.

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## JUNIOR YEAR: WINTER/SPRING

- Keep looking up colleges’ estimated net prices**—net price calculators get updated every year. Pick a college you’re interested in, and go to [College Search](#) to find its profile. Click Calculate Your Net Price to see that college’s estimated net price for you—the cost of attending a college minus the grants and scholarships you might receive.
- Start researching scholarship opportunities.** Scholarships are free money; that is, unlike student loans, they don’t have to be paid back. Use the College Board [Scholarship Search](#) tool to find scholarships you might qualify for.
- Get to know the FAFSA®.** The Free Application for Federal Student Aid is the key to having access to federal financial aid. You can find out more about the form at [fafsa.ed.gov](#). You can’t fill out the FAFSA until after October 1 of your

senior year, but you can create your account and get FSA ID to get a head start.

- Go to a financial aid event.** Many schools host financial aid nights, so students and their families can get information and ask questions.
- Set aside money from a summer job.** Even a little extra money will help you pay for books and living expenses while in college or enable you to buy some of the things you need to make a smooth transition to college.
- Gather the documents you’ll need to fill out your financial aid applications.** You and your parents will need to gather tax returns, income statements, and lists of assets to prepare to fill out the FAFSA, the CSS Profile™, and other applications. Read [How to Complete the FAFSA](#).

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## SENIOR YEAR: SUMMER/FALL

- Research local scholarship opportunities.** Talk to your school counselor, teachers, or other adults in your community about scholarships offered by local organizations. Go to your local library, and ask for help. Ask your parents to see if their employers grant scholarships. And don't forget to check the College Board [Scholarship Search](#).
- Look up deadlines.** Don't miss the priority deadlines for your colleges' financial aid applications—meeting these will help you get as much money as possible. You can compare deadlines for different colleges by using the [College Search](#) tool. And be sure to find out the application deadlines of any private scholarships or loans you plan to apply for.
- Get an estimate of what the colleges on your final list will actually cost.** Get a better idea of what you'll pay to attend a college by looking at its estimated net price—the cost of attending a college minus grants and scholarships you receive. You can get this figure by going to the net price calculator on the college's website or, for some colleges, by using the College Board [Net Price Calculator](#).
- Find out about different kinds of student loans.** Not all student loans are equal. Loans come from different sources, and some kinds are more expensive than others. Read [Types of College Loans](#) to learn more.
- Find out if you need to file a CSS Profile.** A college may require students to complete this application—or the college's own forms—to apply for financial aid awarded by the institution.
- Complete the CSS Profile, if required.** If you need to submit the CSS PROFILE to a college or scholarship program, be sure to find out the priority deadline and submit it by that date. Read [How to Complete the CSS Profile](#).
- Complete your FAFSA.** You can submit the FAFSA after October 1—sooner is better to qualify for as much financial aid as possible. Filling out the form online at [fafsa.gov](#) is the fastest way to do it.

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## SENIOR YEAR: WINTER/SPRING

- Apply for any private scholarships you've found.** Make sure you understand and follow the application requirements and apply by the deadline.
- Compare your financial aid awards.** The colleges you apply to will send financial aid award letters to tell you how much and which kinds of aid they're offering you. Use the [Compare Your Aid Awards](#) calculator to make side-by-side comparisons of each college's aid package.
- Contact a college's financial aid office, if necessary.** Financial aid officers are there to help you if you have questions. If your financial aid award is not enough, don't be afraid to ask about other options.
- Select a financial aid package by the deadline.** Once you've compared the offers, you and your family should discuss which package best meets your needs. Financial aid is limited, so if you don't accept your award on time, it may go to another student. You can, however, ask for an extension if you're waiting to hear from other schools. Each college will decide if it's able to give you an extension.
- Complete financial aid paperwork.** If loans are part of your financial aid package, you'll have to complete and submit paperwork to get the money.
- Get ready to pay the first college tuition bill.** This usually covers the first semester and is due before you enroll.

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Visit [bigfuture.org](#) for more information.

# Financial Aid Glossary

**Award letter or notification.** A document or online notification telling an admitted student about the financial aid the college is offering. The award notification describes the types and amounts of aid offered, as well as the student's responsibilities and conditions governing the awards.

**Cost of attendance.** The combined expenses of attending college, including tuition and fees, room and board, books and supplies, transportation, and living expenses. These expenses vary because no two colleges have the same costs. The cost of attendance is compared with the student's expected family contribution to determine the student's need for financial aid.

**CSS Profile™.** A web-based financial aid application provided by the College Board and used by some colleges and private scholarship programs to award their private financial aid funds. It can be completed online at [cssprofile.org](https://cssprofile.org).

**FAFSA® (Free Application for Federal Student Aid).** The form that must be completed by everyone applying for federal financial aid. It can be completed online at [fafsa.gov](https://fafsa.gov).

**Financial aid package.** The total financial aid offered to a student by a college, including all grants, scholarships, work-study, and loan opportunities.

**Financial need.** The difference between the total cost of attending a college and a student's expected family contribution (EFC).

**Grant.** A monetary aid award given to a student that does not have to be paid back. The terms "grant" and "scholarship" are often used interchangeably, but grants tend to be awarded solely on the basis of financial need, while scholarships may require the student to demonstrate merit.

**Independent student.** An independent student is one of the following: at least 24 years old, married, a graduate or professional student, a veteran, a member of the armed forces, an orphan, a ward of the court, someone with legal dependents other than a spouse, an emancipated minor or someone who is homeless or at risk of becoming homeless. The McKinney-Vento liaison serving the school district can help you navigate issues homeless students

may encounter. Independent students don't need to provide parental information to be considered for federal financial aid programs; however, some private institutions may require independent students to provide parental information to be considered for nonfederal funding.

In rare circumstances, a student who is dependent by definition could be made independent at the discretion of the financial aid office. Examples are situations when the student has been abused by the parent(s) or the parents are not and have not been in the student's life. These cases should be brought to the attention of the individual financial aid offices as soon as possible, and the student will have to clearly document the situation.

**Merit aid.** Financial aid awarded on the basis of academic qualifications, artistic or athletic talent, leadership qualities, or similar attributes. Most merit aid comes in the form of scholarships.

**Need-based aid.** Financial aid given to students who have demonstrated financial need. It is calculated by subtracting the student's expected family contribution from a college's total cost of attendance.

**Priority date.** The date by which applications for financial aid must be received in order for a student to be given the strongest possible consideration. Thereafter, applications are considered on a first-come, first-served basis, and only to the extent the college still has aid money left after all the priority offers have been made.

**Self-help aid.** Student financial aid that requires repayment or employment (e.g., loans, part-time jobs).

**Subsidized loan.** A need-based loan in which the entity awarding the loan pays the borrower's (student's) interest while he or she is in college at least half-time, thereby subsidizing the loan.

**Work-study.** An arrangement by which a student combines employment and college study. The employment may be an integral part of the academic program (as in cooperative education and internships) or simply a means of paying for college.

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# 20 Things You Need to Know About Financing College

It's important to make an informed decision about an institution of higher education. We recommend using the following three phases together, as a whole, to arrive at the best possible decision.

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## PHASE 1: APPLYING TO COLLEGE

Once the student's academic and social interests and objectives have been matched with appropriate institutions, the student might need to consider financial assistance.

**College admission and financial aid advisers should be ready to give the following information:**

1. What are the average costs for tuition and fees, books and supplies, room and board, transportation, and other personal expenses for the first year? What are the ranges of room (e.g., single, double) costs, board costs (e.g., 21 meals), and special tuition rates (e.g., flat rate, 15–18 credits)? By how much will total costs increase each year? (A three- to five-year printed history of tuition and fee increases, as well as room and board increases, should be available.)
2. Does financial need have an impact on admission decisions?
3. Does the decision to apply for early admission affect financial aid?
4. Does the institution offer financial aid programs, as well as merit or other scholarships, that do not include consideration of financial need? How and when should applications for need-based and merit aid be completed?
5. What noninstitutional sources of aid and information are available? (Check with the financial aid office regarding fee-based sources.)
6. What application forms are required to complete the financial aid process? What is the priority deadline for applying for financial aid? When will the student be notified about financial aid decisions? How soon after the FAFSA® opens on October 1 does the student/family need to complete the FAFSA?

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## PHASE 2: CHOOSING A COLLEGE

During this phase, the student chooses the college with the best academic, social, and financial fit.

**To make this decision, college financial aid offices should supply the following information:**

7. How much financial aid will the student receive? Will the student be billed for their share of the costs? Are there any other costs not accounted for in the aid offer that the student should plan for, such as expenses for books, room and board, transportation, or personal needs?
8. If the student and/or the student's family can't meet the financial responsibilities from current income or assets, what financing options are available to help them pay their share?

## PHASE 2: CHOOSING A COLLEGE (CONTINUED)

9. Will the financial aid office provide each student with an explanation of how their expected family contribution, financial need, and award package was determined?
10. If the financial aid award package is insufficient to make it possible for the student to attend this institution, under what conditions, if any, will the aid office reconsider its offer?
11. What are the terms and conditions of the aid programs included in the student's award package (e.g., treatment of outside scholarships, loan repayment policies, renewal criteria)? Regarding renewal, what are the academic requirements or other conditions for the renewal of financial aid, including scholarships?
12. How will the student's aid package change from year to year? Will loan amounts increase? What impact will cost increases have on the aid package? What will happen if the student's financial situation changes? What will happen if the student's or another family member's enrollment status changes?
13. What amount of student loan debt does your typical student borrower have once they finish college?

## PHASE 3: BEFORE LEAVING HOME

By the end of this phase, the student should be clear about their financial obligations to their college of choice and how to meet those obligations.

**The financial aid and/or business office of the student's chosen college should be able to answer the following questions:**

14. When can the student/family expect to receive bills from the college? How many times a year will they be billed? If the bill is not paid by the deadline, will there be penalties? Does the college accept payment by credit card? Is there an option to pay monthly?
15. Is all financial aid credited to the student's account, or will the student receive checks for some or all of the financial aid awarded? What about student employment earnings? If aid exceeds billed charges, how does the student receive the funds?
16. How much money will the student need during the first week of school for things such as books or a parking permit? Can the student use financial aid to pay for books and supplies? Can books and supplies be charged to the student's account? What typical out-of-pocket expenses do most students have during the year?
17. Is information provided to students about budgeting resources, money management, and credit card usage?
18. Are there banking services with fee-free ATMs and/or check cashing on or near campus? Does the campus have a debit card?
19. Will the college be responsive to midyear changes in family financial situations?
20. Questions regarding student employment, including federal work-study, are also relevant: How are jobs assigned? How many hours per week will a student be expected to—or allowed to—work? How often and in what manner will the student receive earnings payments? Will earnings be automatically credited to the student's account?

Visit [bigfuture.org](https://bigfuture.org) for more information.



# 20 Questions to Ask About Financing College

1. What's the average total cost of attendance (tuition and fees, books and supplies, room and board, travel, and other personal expenses)? Do any of these costs vary by program?
2. What are the ranges of costs for the different housing options and meal plans?
3. By how much should I expect my costs to increase each year? (A three- to five-year history of cost increases should be available.)
4. Does financial need affect admission decisions?
5. How is financial aid affected if I apply via an Early Decision or Early Action program?
6. Does the school offer scholarships or other types of aid that aren't based on financial need?
7. What forms are required to apply for financial aid?
8. What is the priority deadline to apply for financial aid?
9. When will I be notified about financial aid award decisions?
10. Will the financial aid offer take into account the full cost of attending, including books and supplies, transportation, and personal expenses?
11. What percentage of need does this college attempt to meet on average?
12. Will the financial aid office provide me with an explanation of how my financial need and award package was determined?
13. What financing options are available to help us pay our share of the costs?
14. What is the average amount of student loan debt incurred by graduates?
15. If the financial aid package isn't enough, can I appeal, or ask for a revision? Under what conditions, if any, will the aid office reconsider the offer?
16. How will the aid package change from year to year? What will happen if my enrollment status or my family's financial situation changes?
17. What are the academic requirements or other conditions for the renewal of financial aid, including scholarships?
18. When can I expect to receive bills from the college? Is there an option to spread the yearly payment over equal monthly installments?
19. How much money will I need during the first week of school for books, supplies, and other expenses? Can these expenses be charged to my account?
20. Regarding student employment, including the Federal Work-Study Program: How are jobs assigned? How many hours per week are students expected or allowed to work? How often and in what manner are they paid?

# Tracking Your Financial Aid Applications

Required forms

Priority  
date/deadline

Date completed

## COLLEGE

FAFSA®

CSS Profile™

College forms

Tax forms

Other

## COLLEGE

FAFSA

CSS Profile

College forms

Tax forms

Other



# Senior Year Calendar for Students Applying for Financial Aid

## SUMMER BEFORE SENIOR YEAR

- ❑ **Research scholarship opportunities for which you might be eligible.** An early start will give you time to meet deadlines and to prepare a competitive application.
- ❑ Create the FSA ID and password for yourself and at least one parent at [studentaid.gov/fsaid](https://studentaid.gov/fsaid).

## SEPTEMBER

- ❑ **Ask your school counselor about local scholarships** offered by community groups, civic associations, and businesses in your area.
- ❑ Start gathering what you need to complete the FAFSA®. Visit FAFSA online at [fafsa.gov](https://fafsa.gov) for a list of required documents.
- ❑ If you're going to apply **Early Decision** to a college, and financial aid is an important part of your decision to attend, review application deadlines and requirements carefully.
- ❑ Use the online **financial aid calculator** on [collegeboard.org](https://collegeboard.org) to estimate your family's expected family contribution (EFC).
- ❑ Complete the Net Price Calculator on the college website. The Net Price Calculator is a tool that students can use to get an early indication of how much and what types of financial aid they might receive.

## OCTOBER

- ❑ Find out if there's a **family financial aid night** at your high school or in your area.
- ❑ If you need to fill out the **CSS Profile™**, visit [cssprofile.org](https://cssprofile.org). The application becomes available Oct. 1.
- ❑ If any **scholarship applications need recommendations**, request them now, or at least four weeks before the deadline.
- ❑ If a college you're applying to has an early **financial aid priority date**, submit your FAFSA as soon as you can. Be sure you have completed any supplemental applications required by the college.
- ❑ **File the FAFSA and other aid forms now.** Remember: Some funds may be awarded on a first-come, first-served basis. Apply early to ensure you meet deadlines and maximize your aid award.



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## DECEMBER

- ❑ Check the status of your admission and financial aid applications. If any outstanding items are required by your college, ensure you respond by required deadlines. Many colleges provide online resources where you may check the status of your application.

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## JANUARY

- ❑ If needed, correct or update your **Student Aid Report (SAR)** that follows the FAFSA. Contact the college financial aid office for additional guidance.
- ❑ If you submitted the CSS Profile and you have not received a communication from your college's financial aid office, check in to see if the review of your application is on track.

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## MARCH

- ❑ Submit any final, outstanding information or documentation that may be required to process your aid award.

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## APRIL

- ❑ Most admission decisions and financial aid award letters arrive this month. **Carefully compare financial aid award letters** from the colleges that accept you.
- ❑ Contact the colleges if you have any **questions about the financial aid packages** they've offered you. Make sure you understand all terms and conditions.
- ❑ If you didn't get enough aid to be able to attend a particular college, explore other alternatives to cover the cost. Additional options, might include federal loans, such as the Parent Loan to Undergraduate Students (PLUS), which may not have been included in your initial award.
- ❑ If your family's financial circumstances have changed or you have special circumstances that may impact your eligibility, contact your financial aid office to discuss your options.
- ❑ Make a final decision, **accept the aid package, and mail a deposit check** to the college you select before May 1 (the acceptance deadline for most schools).
- ❑ On the **waiting list** at your first-choice college? Don't let being wait-listed jeopardize your aid at another college that has accepted you. Accept that award in case you don't make it off the waiting list.

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## MAY

- ❑ **Thank everyone** who wrote you recommendations or otherwise helped with your scholarship applications.

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## JUNE

- ❑ Think about your summer job options. The more money you make, the easier it will be to finance college—and have some fun during the school year.

# Financial Aid 101

What is financial aid? Financial aid is money that can help you pay for college. Some aid needs to be paid back or earned, and some aid is a gift. Here are the most important things you should know about financial aid.

## 4 QUICK FACTS ON FINANCIAL AID

### 1 MORE THAN \$185 BILLION IN AID IS AVAILABLE

There are four main sources:

- Federal government (largest source)
- State governments
- Colleges and universities
- Private organizations

### 2 THE FAFSA IS THE PLACE TO START—AND IT'S FREE

To qualify for many types of aid, you'll need to complete the Free Application for Federal Student Aid (FAFSA). This gives you access to these types of aid:

- **Grants and scholarships:** money you don't have to pay back
- **Work-study jobs:** paid, part-time work that's generally on campus
- **Loans:** money you need to pay back, usually after you graduate

### 3 THE FAFSA IS CONVENIENT

Complete the form online at [fafsa.gov](https://fafsa.gov) or download paper forms there. You can import your family's tax information directly from the IRS website. Begin filling out your FAFSA on **October 1**.

### 4 MORE AID IS OUT THERE

Once you've completed the FAFSA, you should apply for these types of aid:

- Opt in to the College Board Opportunity Scholarship at [collegeboard.org/opportunity](https://collegeboard.org/opportunity)
- Financial aid at the colleges to which you are applying
- Private scholarships for which you're eligible

Once you identify a college that's a good fit for you, you should investigate your financial aid options. Each college has its own financial aid policies—guidelines for deciding who qualifies for aid, what type of aid is available, and similar questions.

To be sure you understand what's available, check to see if the answers to these questions appear on the college's website or in their print materials. If not, schedule a phone meeting or an interview with a member of the financial aid staff if you're going to be visiting the college.

## QUESTIONS FOR FINANCIAL AID OFFICERS:

- What's the average total cost—including tuition and fees, books and supplies, room and board, travel, and other personal expenses—for the first year?
- How much have your costs increased over the last three years?
- Does financial need have an effect on admission decisions?
- What's the priority deadline to apply for financial aid, and when am I notified about financial aid award decisions?
- How is financial aid affected if I apply under an early decision or early action program?
- Does the college offer need-based and merit-based financial aid?
- Are there scholarships available that aren't based on financial need, and do I need to complete a separate application for them?
- Does the college require me to fill out the CSS Profile™?
- If the financial aid package the college offers isn't enough, are there any conditions under which it can be reconsidered, such as changes in my enrollment status or my family's financial situation (or that of a family member)?
- How does the aid package change from year to year?
- What are the terms of the programs included in the aid package?
- What are the academic requirements or other conditions for the renewal of financial aid, including scholarships?
- When can I expect to receive bills from the college?

# What to Do When Your Financial Aid Award Isn't Enough

Colleges want to provide financial aid to their students, but they don't always have enough funds to meet the full need of every student. That means a school may not award you enough financial aid to cover all your college expenses. Or maybe your family's financial situation has changed, and you now need more aid than the college awarded you. If you're in either of these situations, follow these steps.

## 1 Contact the Financial Aid Office

Call or email the financial aid office. If someone there can't answer your question in a phone call or email, make an appointment to meet with a financial aid officer, if possible.

Talking with a financial aid officer can help you learn how you can make up the difference between what you need and what the college awarded you. Financial aid officers want to help you attend their college, so they'll work with you to find the right solution.

You can start by asking questions like the following:

- What are my options for receiving more aid?
- How can I find scholarships to help pay for college?
- Can I talk to someone at the college about finding part-time work?
- Do you have any advice about getting a private loan?

## 2 File an Appeal

If there's a significant change in your family's finances—such as a drop in income or unexpected medical expenses—you can submit an appeal asking the financial aid office to review your award. Call the office to find out what the college's standard appeals process is so you can follow it. Be ready to provide proof of the change in your circumstances, such as bank statements, pay stubs, or medical bills. But remember, it will take you time to prepare the appeal, and it will take the college time to act on it.

If your appeal isn't successful, you may want to consider applying for a private loan or explore other ways to pay for college.

## 3 Don't Be Shy About Asking for Help

No matter what your situation, don't be shy about contacting the financial aid office. Financial aid officers are there to answer your questions.

Visit [bigfuture.org](https://bigfuture.org) for more information.

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# Resources

## **bigfuture.collegeboard.org**

Students and parents are provided a wealth of information regarding postsecondary education planning, at this website. Topics range from the college search to the financial aid process. Videos from students and counseling professionals provide insightful advice.

## **sat.org**

This website provides information regarding the SAT® Suite of Assessments. Included on the site are descriptions of the assessments, important dates, practice questions, and much more.

## **satpractice.org**

Access free, world-class test practice for all students through Official SAT Practice on Khan Academy®. Students can practice for the redesigned SAT using Khan Academy's online tools, including diagnostic quizzes, full-length practice tests, interactive problems, and personalized practice recommendations. Students will also receive instant feedback on their answers so they can see their progress and make the most of their study time.

## **studentaid.ed.gov**

This is the comprehensive U.S. government site that covers all information related to financial aid. It also has a "Prepare for College" section that details the financial benefits of attending college, explores career options, and provides academic and financial aid checklists.

## **collegeboard.org/counselors**

In addition to providing registration links for our in-person counselor workshops, this website also provides registration links for all webinars offered during the school year. The webinars are specifically designed for counselors and cover college advising topics such as the college application process, writing letters of recommendation, financial aid, advising special student populations, building your counseling program and leadership, and much more.

## **collegeboard.org/counselor-community**

Join our online counselor community, and engage in helpful dialogues with other counseling professionals. Learn about professional development and tools and resources to develop sustainable solutions that expand educational access and opportunity for all students.

## **nacacnet.org**

The National Association for College Admission Counseling (NACAC) is an organization of more than 14,000 professionals from around the world dedicated to serving students as they make choices about pursuing postsecondary education. This site provides excellent resources for counseling professionals, students, and parents.

## **schoolcounselor.org**

The American School Counselor Association (ASCA) supports school counselors' efforts to help students focus on academic, career, and social/emotional development so they can achieve success in school and be prepared to lead fulfilling lives as responsible members of society. ASCA provides professional development, publications, and other resources, research, and advocacy to professional school counselors around the globe.

**Note:** Material in this volume is adapted from the *College Counseling Sourcebook, 7th Edition*.