


**“If a man empties his purse into his head, no one can take it from him. An investment in knowledge always pays the highest return.”**

**-Benjamin Franklin**



**Financial aid helps bridge the gap for families with financial need.**

## Financial Aid Tips

1. Some type of financial aid is available.
2. Be an informed consumer.
3. Timing is crucial. Start early!
4. File the FAFSA by Mar. 1 each year.
5. Submit all documents in a timely manner.
6. Keep copies of everything!
7. Research outside scholarship opportunities.
8. Develop your own positive financial aid experience.
9. Consider a full range of aid programs and financing options.
10. Contact the financial aid office if you have questions during the financial aid process. We are here to help you!

## Applications

- Application for Admission
- Free Application for Federal Student Aid (FAFSA)
- Institutional Aid Application or the CSS PROFILE

## Information Needed

- High school academic record
- Official FAFSA data
- Institutional aid application or CSS PROFILE data
- Additional information requested by the school (verification)

## Calculating the EFC

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• <b>Parent Contribution</b><ul style="list-style-type: none"><li>○ AGI</li><li>○ Federal &amp; state tax liabilities</li><li>○ Assets – net worth</li><li>○ Family size</li><li>○ Number in college</li></ul></li></ul> | <ul style="list-style-type: none"><li>• <b>Student Contribution</b><ul style="list-style-type: none"><li>○ Earnings from work</li><li>○ Assets – net worth</li></ul></li></ul> |
|--|--|

## Calculating Need

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• <b>Cost of Education</b> <ul style="list-style-type: none"> <li>○ Tuition</li> <li>○ Required fees</li> <li>○ Housing</li> <li>○ Meals</li> <li>○ Books</li> <li>○ Transportation</li> <li>○ Misc. expenses</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• <b>EFC</b> <ul style="list-style-type: none"> <li>○ Expected Family Contribution as determined by the Free Application for Federal Student Aid (FAFSA)</li> </ul> </li> </ul> |
|---|--|

## Comparison of Need

	<u>High Cost School</u>	<u>Low Cost School</u>
Cost	\$40,000	\$20,000
<b>(-) EFC</b>	<u>\$20,000</u>	<u>\$20,000</u>
<b>(=) Need</b>	\$20,000	\$0

\*The EFC remains the same at each school for the purpose of determining need.

## Financial Aid Offer

- Scholarships
- Grants
- Student employment
- Student loans

## Family Responsibility

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Direct Costs<ul style="list-style-type: none"><li>○ Tuition</li><li>○ Fees</li><li>○ On campus housing</li><li>○ Meal plan</li></ul></li></ul> | <ul style="list-style-type: none"><li>• Financial Aid Offered<ul style="list-style-type: none"><li>○ Scholarships</li><li>○ Grants</li><li>○ Student Loans</li></ul></li></ul> |
|--|--|

\*The Family Responsibility will not match the EFC calculated by the FAFSA

## Financing Options

- Monthly payment plans
- Federal PLUS loans
- Private education loans
  - Maximize family resources
  - Tailor a plan to make college a reality

## Is this College Affordable?

- A candid review of family resources is essential.
  - Parents –
    - ✦ Current income
    - ✦ Savings or investments
    - ✦ Home Equity
    - ✦ Employee Benefits
  - Student –
    - ✦ Savings or investments
    - ✦ Summer earnings
    - ✦ Academic year earnings
    - ✦ Other resources

# Completing the Free Application for Federal Student Aid (FAFSA)



## Paper FAFSA



The image shows the front page of the Paper FAFSA form. At the top, it reads "FREE APPLICATION FOR FEDERAL STUDENT AID" and "July 1, 2012 - June 30, 2013". The form includes sections for "Applying by the Deadline", "Using Your Internet", "Filing Your FAFSA", and "Submitting Your FAFSA". On the right side, there is a table titled "APPLICATION DEADLINES" listing various states and their respective deadlines. The form also features a "Check for errors" section and a "Submit" button.

State	Application Deadline
AL	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
AK	June 1, 2012 (non-urgent)
AR	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
CA	March 2, 2012
CO	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
CT	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
DC	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
DE	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
FL	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
GA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
IA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
IL	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
IN	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
KS	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
LA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MD	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
ME	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MI	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MN	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MO	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MS	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
MT	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
NC	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
ND	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
OH	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
OK	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
OR	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
PA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
RI	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
SC	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
SD	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
TN	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
TX	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
VA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
VT	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
WA	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
WI	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
WV	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)
WY	February 15, 2012 (non-urgent) / June 1, 2012 (urgent)

# FAFSA on the Web [www.fafsa.gov](http://www.fafsa.gov)



# Register for a PIN [www.pin.ed.gov](http://www.pin.ed.gov)





## What you will need...

- **Student's driver's license & social security card**
- **Income information for the student & parent(s)**
  - 2011 federal income tax returns, or
  - 2011 w-2 forms, or
  - End of year statements for 2011
- **Records of untaxed income for 2011**
  - AFDC & TANF
  - Child support received and paid
  - Social security benefits received for ALL family members
  - Contributions to retirement accounts

## What you will need...(cont.)

- **Current bank statements**
- **Business records**
- **Records of investment – market value and debt**
  - Stocks
  - Bonds
  - Certificates of deposit
  - Mutual funds
  - Education savings accounts

## Definition of an Asset



- Net worth is defined as value minus debt.
- Value is equivalent to the market value.
- Investment debt means only those debts that are related to the investment(s).
- Business debt means only those debts for which the business was used as collateral.

## Investments include...



- The total value of...
  - Real estate (not the home you live in)
  - Trust funds, UGMA & UTMA accounts
  - Money market funds
  - Mutual funds
  - Certificates of deposit
  - Stocks and stock options
  - Bonds
  - Other securities, etc.

## Investments also include...

- Qualified educational benefits or education savings accounts such as –
  - Coverdell savings accounts
  - 529 college savings plans
  - Refund value of 529 prepaid tuition plans

## Investments do not include...

- The total value of:
  - The home you live in
  - Life insurance policies
  - Tax deferred retirement plans
    - ✦ 401(K), non-education IRAs, Keogh, pension plans, annuities, etc.
  - Family farm you live on and operate
  - Small business you and your family own and control more than 50 percent with 100 or fewer full-time or full-time equivalent employees

## Education Savings Accounts

- For a student who must report parental information, the accounts are reported as parental investments.
  - Including all accounts owned by the student and all accounts owned by the parents for any member of the household.
- For a student who does not report parental information, the accounts are reported as student investments.

## Who is considered a parent?

- If your parents are both living and married to each other, answer the questions about them.
- If your parent is widowed or single, answer the questions about that parent only.





## Step Four – Parent Financials

- If the student is dependent, the parent(s) must provide financial information for the EFC calculation.
- A federal formula to determine the amount of discretionary income to be used for the student's college education.

**Step Four (Parent):** Complete this step if you (the student) answered "Yes" to all questions in Step Three.

Answer all the questions in this section if you are the parent(s) reporting information on this form. If you are the student, you do not need to answer these questions. If you are the parent(s) reporting information on this form, you must answer all the questions in this section. If you are the parent(s) reporting information on this form, you must answer all the questions in this section. If you are the parent(s) reporting information on this form, you must answer all the questions in this section.

58. What is your parent's marital status as of today?  Married or remarried  Single  Widowed or separated  Divorced or widowed

59. Months and year that were reported, remarried, separated, divorced or widowed. Month:  Year:

60. What are the Social Security Number, name, and date of birth of both of the parents reporting information on this form? If your parent has more than one Social Security Number, please enter the SSN that will be used to verify the parent's income. Enter two digits for each day and month (e.g., for May 31, enter 05 31).

61. Your parent's e-mail address. If you provide your parent's e-mail address, we will be able to know your parent's e-mail address. This e-mail address will also be used to send you information about your parent's e-mail address. Do not enter the e-mail address of a child, a grandchild, or a spouse.

62. How many people are in your parent's household?

63. How many people in your parent's household (from question 62) will be college students between July 1, 2012 and June 30, 2013?

64. For 2011 or 2012, did you (or your spouse or partner or your parent) receive benefits from any of the federal programs listed?  Yes  No

65. Supplemental Security Income (SSI)  66. Food Stamp  67. Free or Reduced Price Lunch (FRPL)  68. Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

69. For 2011, have your parents completed their 1041 income tax return?  Yes  No  Don't know

70. What income tax return did your parents file or will they file for 2011?  1041  1041EZ  1041-EZ  A foreign return. See Form page 2.  A tax return with the average 103, 1041, or Family  See Form page 2.  Don't know

71. If the answer to question 70 is "Yes" give the parent's state

72. How many people are in your parent's household?

73. How many people in your parent's household (from question 72) will be college students between July 1, 2012 and June 30, 2013?

74. For 2011 or 2012, did you (or your spouse or partner or your parent) receive benefits from any of the federal programs listed?  Yes  No

75. Supplemental Security Income (SSI)  76. Food Stamp  77. Free or Reduced Price Lunch (FRPL)  78. Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

79. For 2011, have your parents completed their 1041 income tax return?  Yes  No  Don't know

80. What income tax return did your parents file or will they file for 2011?  1041  1041EZ  1041-EZ  A foreign return. See Form page 2.  A tax return with the average 103, 1041, or Family  See Form page 2.  Don't know

81. If your parents have filed or will file a 1041, were they eligible to file a 1041-EZ?  Yes  No  Don't know

82. As of today, are you (or your spouse or partner) a dependent member? See Form page 6.  Yes  No  Don't know

For help — 1-800-433-3243 Page 6 Step Four CONTINUED on page 7

## Step Five – Independent Students

- This section is completed only if the student answered 'yes' to any question in step three.
- Additional information that is used in the federal formula to determine the EFC.

**Step Five (Student):** Complete this step only if you (the student) answered "Yes" to any questions in Step Three.

83. How many people are in your household?

84. How many people in your household (from question 83) will be college students between July 1, 2012 and June 30, 2013?

85. For 2011 or 2012, did you (or your spouse or partner or your parent) receive benefits from any of the federal programs listed?  Yes  No

86. Supplemental Security Income (SSI)  87. Food Stamp  88. Free or Reduced Price Lunch (FRPL)  89. Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

90. As of today, are you (or your spouse or partner) a dependent member? See Form page 6.  Yes  No  Don't know



## Submit FAFSA on the Web

- Print a copy of the information you are submitting for your records.
- Submit complete FAFSA information using the PIN as the electronic signature.
- Print a copy of the confirmation receipt.
- Don't forget to click "SUBMIT". A "SAVED" application will not be sent to the federal processor.

## Tips

- For consideration of additional information or special circumstances...contact the school(s) you are applying to for the proper procedure.
- Indiana Residents - File on or before March 10 each year.
- Don't leave any question blank.
- Answer the question – if you feel it is not an accurate reflection of your situation, contact the financial aid office at each school.

## It's Free to Apply!



- You do not have to pay to get help or submit your FAFSA.
- Submit your FAFSA for free online at [www.fafsa.gov](http://www.fafsa.gov).
- Federal Student Aid provides free help online at [www.fafsa.gov](http://www.fafsa.gov) or you can call 1-800-4-FED-AID.

## Questions?



CONTACT THE FINANCIAL AID  
OFFICE AT THE SCHOOLS YOU  
ARE APPLYING FOR ADMISSION.

## College Goal Sunday



February 12, 2012  
2:00 p.m.  
37 sites across Indiana

[www.collegegoalsunday.org](http://www.collegegoalsunday.org)

## Financial Aid References



- College Board's website  
[www.collegeboard.org](http://www.collegeboard.org)
- Financial aid information web site  
[www.finaid.org](http://www.finaid.org)
- The internet's largest free scholarship search  
[www.fastweb.com](http://www.fastweb.com)
- FAFSA on the Web  
[www.fafsa.gov](http://www.fafsa.gov)
- Department of Education  
[www.ed.gov/studentaid](http://www.ed.gov/studentaid)