
Financial Aid 101 The Basics

ASPIRE

2016 Fall Conference

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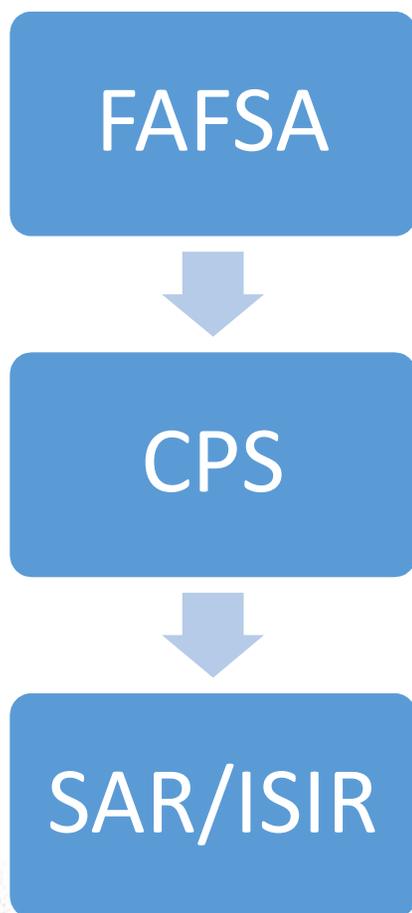
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Agenda

- Financial Aid Application Process
- Assisting Students and Families with the FAFSA
- Determining Eligibility for Financial Aid
- Types and Sources of Financial Aid
- Informational Resources



Financial Aid Application Process Overview



- Student submits the FAFSA
 - Electronically
 - Regular Mail
- Central Processing System (CPS) processes the FAFSA
 - Conducts database matches
 - Calculates student's Expected Family Contribution (EFC)
- Student receives a Student Aid Report (SAR) and schools receive an Institutional Student Information Record (ISIR)



Financial Aid Application Process Overview



- School determines eligibility for financial aid
 - Federal
 - State
 - Institutional
- Financial aid package sent to student by school
 - Electronically
 - Regular mail
- Student accepts or declines financial aid
 - Completes verification
 - Completes entrance counseling and Master Promissory Note (MPN) for accepted loans



IT'S FAFSA TIME!

RT YOUR FALL FINANCIAL AID APPLICATION EARLY FOR PRIORITY AWARD CONSIDERAT



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FAFSA

- Free Application for Federal Student Aid
- Produced by the U.S. Department of Education
- Collects family's personal and financial information used to calculate student's EFC
- Available in English and Spanish
- Available in two formats:
 - On-line
 - PDF (Download from www.fafsa.gov)



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2017-18 FAFSA Changes

- FAFSA filing date begins October 1st, 2016
- FAFSA will use prior-prior year (PPY)

FAFSA Year	File FAFSA on or After	Tax Year Reported on FAFSA
2015-2016	January 1, 2015	2014
2016-2017	January 1, 2016	2015
2017-2018	October 1, 2016	2015
2018-2019	October 1, 2017	2016

Modifications for 2017-18

- Starting October 1, students are able to fill out the 2017-18 FAFSA
 - In the past, students had to wait until January 1st
- Student will report income and tax information from an earlier tax year. For the 2017-18 FAFSA, 2015 rather than 2016 tax information will be used .
- Families that filed 2016-17 FAFSA's will use 2015 tax information again for the 2017-18 FAFSA
- FSA ID is required to complete your FAFSA at www.fafsa.gov
- Colleges will not be able to see the names of other colleges that student included on the FAFSA.
- All college names will be included on information sent to OSAC



Modifications for 2017-18

- Enhanced messaging regarding the following:
 - Which FAFSA cycle to choose
 - Which tax year data to choose
 - How to report tax information if your marital status has changed
 - How to answer student financial questions when the students marital status has changed after 2015
- Medicaid recipients added to Means-Tested Benefits question
- Demographic and asset questions will be answered with current “at the time of completing the form” responses versus estimated information
- Unaccompanied Homeless Student questions/ language clarified
- IRS Data Retrieval tool available immediately due to use of 2015 tax year information



Free Application for Federal Student Aid (FAFSA) – www.fafsa.gov

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Home About Us FSA ID StudentAid.gov Help SEARCH English | Español

Get help paying for college

Submit a Free Application for Federal Student Aid (FAFSA)



New to the FAFSA?

Start A New FAFSA

Returning User?

- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

Login

Deadlines

Information about your deadlines.

School Code Search

Find your college's school code. Also find detailed information about your college.

FAFSA Filing Options

Learn about the other options for filing your FAFSA.

Announcements

- If you have questions about the FSA ID, you can find the answers to frequently asked questions [here](#). If you need assistance logging in with your FSA ID, contact us at 1-800-557-7394.
- [Deadline Approaching: 2014-2015 FAFSA corrections](#) or

Thinking About College?



Use *FAFSA4caster* to see how federal student aid can help you pay for college!

When you get asked why they should file a FAFSA

“My parents say we make too much money to qualify for financial aid”



- You should say
 - Some scholarship agencies require the FAFSA
 - Some colleges use the FAFSA results to determine non-need based financial aid
 - Financial aid includes student and parent loans, a FAFSA is required to receive these loans
 - Sometimes your circumstances may change, and your financial aid office may consider them, such as
 - Death
 - Divorce
 - High medical/dental expenses
 - Job loss

FSA ID

- Students and eligible parents should establish an FSA ID for ease of submission and signatures for the FAFSA
- Recommend setting up FSA ID at the end of junior year/summer prior to senior year
- Parents and students should write down and retain all information used to set up FSA ID-username, passwords, email addresses, security questions and answers



FSA ID

- FSA ID consists of username and password, which increases the security level for the user
- FSA ID needed to log into fafsa.gov, the National Student Loan Data System(NSLDS) at nslds.ed.gov, StudentLoans.gov, StudentAid.gov and Agreement to Serve(ATS) at teach-ats.ed.gov
- Create FSA ID at <https://studentaid.ed.gov/npas/index.htm>
- Both the student and the parent need a separate username name, password and email address



Create a New FSA ID

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 can result in 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. Leaving your browser window or going to another website may not be enough to prevent other people using this computer from accessing your FSA ID until the session expires.



Log in to StudentAid.gov

Create An FSA ID

Edit My FSA ID

E-mail

Confirm E-mail

Username *

Password *

Numbers Uppercase Letters Lowercase Letters Special Characters 8-30 Characters Show Text

Confirm Password *

Are you 13 years of age or older? *

- I am 13 years of age or older.
 I am 12 years of age or younger.

CONTINUE

- [Log in to StudentAid.gov](#)
- [Edit My FSA ID](#)
- [Frequently Asked Questions](#)



RETURN TO STUDENTAID.GOV

FSA ID Process – 3 Main Steps

How to create an **FSA ID**

1. Enter your log-in information
 - Provide your email address, a unique username, and password, and verify that you are at least 13 years old
2. Enter your personal information
 - Provide your Social Security Number (SSN), name, and date of birth
 - Include your mailing address, email address, telephone number, and language preference
 - For security purposes, provide answers to five challenge questions
3. Submit your FSA ID information
 - Agree to the terms and conditions
 - Verify your email address (This is optional, but helpful. By verifying your e-mail address, you can use your e-mail address as your username when logging into certain ED websites. This verification also allows you to retrieve your username or reset your password without answering challenge questions.)

If you get this question:

“Can I create an FSA ID for my child, parent or spouse?”

- Your answer should be
 - No
 - Only the owner of an FSA ID should create or use their account
- Here’s why:
 - The FSA ID serves as a legal signature and should not be shared with anyone, including family, school personnel, loan servicers, or contact center agents
 - By creating your own FSA ID, you’re more likely to remember your username, password, and the answers to your challenge questions. Without these, you can lose access to your account and be unable to login to Federal Student Aid websites
 - An e-mail address cannot be used with more than one FSA ID. If you forget your username or password, you can request that a secure code be e-mailed to you to allow you to reset your username or password. For security reasons, you don’t want that code being sent to someone else

Source: <https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid>

Student Login with FSA ID

Login

Student Information

Form Approved
OMB No. 1845-0001
App. Exp. 12/31/2016

Instructions are provided for each FAFSA question in the Help and Hints section on the right side of the page and are also available by clicking **Need Help?** at the bottom of the page.

Enter either your (the student's) FSA ID or personal information to log in to *FAFSA on the Web*.

Enter your (the student's) FSA ID
Do not log in with the FSA ID if you are not the student.

OR

Enter the student's information

STUDENT **PARENT**

NEXT

NEED HELP?

Student Login with FSA ID

- FAFSA can be started using student's name, social security number, and birthdate
 - Save Key can be used by student and parent to save data prior to FAFSA submission
- Once submitted, FAFSA can only be accessed using the student's FSA ID
 - Corrections
 - Adding additional schools





Welcome, Leslie [Logout](#)

[SEARCH](#)

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Get Started

Welcome

Fill out your FAFSA (Free Application for Federal Student Aid)!

To receive federal student financial aid, you need to fill out a FAFSA every school year. Let's get started.

For which school year are you applying for financial aid?

2017-2018 school year

START 2017-2018
FAFSA



2016-2017 school year

START 2016-2017
FAFSA

If you are applying for a summer session, or just don't know which application to complete, check with the college you are planning to attend.

FSA ID

Last Time, Date FSA ID Used:

FSA ID Status:

[User Account Management](#)

You can use your FSA ID to sign your FAFSA electronically or make corrections to your FAFSA.

[NEED HELP?](#)

Save Key

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FAFSA®
Free Application for Federal Student Aid

Home Help

SEARCH

Start Your 2016-2017 FAFSA

Form Approved
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App. Exp. 12/31/2017

Create a Save Key.
The Save Key is for temporary use for you or your parent to return and complete this specific FAFSA.

Create a Save Key

Re-enter Save Key

NEXT

NEED HELP? MY FAFSA

Help and Hints

Create a Save Key

You must create a save key. The save key allows you to return to an application or correction later if you need to stop and save your work. It also allows you to share access to your application or correction if your parent needs to add information or sign.

The save key must be between 4 and 8 characters long. You can use any combination of numbers and / or uppercase and lowercase letters. For example, the save key "Student2" is different than the save key "sTuDeNt2."

Try to choose a save key that you can remember but that would be hard for

STUDENT

English (US) Español

What's On The FAFSA?

- The colleges where the student is applying for financial aid
- Student data, and spouse if married
 - Demographic: Name, Date of Birth, Social Security Number, Address, High School attended and more
 - 2015 taxable income
 - 2015 untaxed Income
 - Federal benefits eligibility: SNAP, TANF, Medicaid, WIC, SSI, Free or Reduced Price Lunch
 - Assets



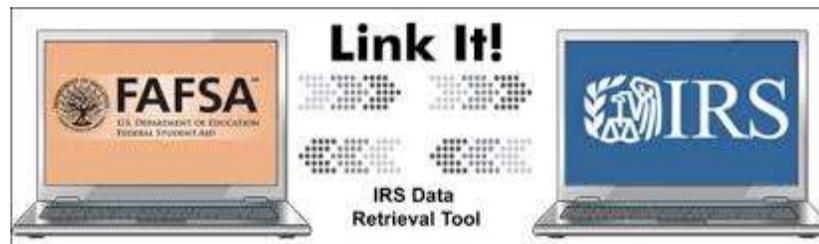
What's On The FAFSA?

- Parent data, for dependent students
 - Demographic: Name, Marital Status, Social Security Number, and more
 - 2015 taxable income
 - Untaxed Income
 - Federal benefits eligibility: SNAP, TANF, Medicaid, WIC, SSI, Free or Reduced Price Lunch
 - Assets
- Number of people in the household
 - Number in College: For dependent students, include themselves and their parent's children who are in college at least half time at an eligible college in an eligible program



IRS Data Retrieval Tool

- Students completing a 2017-18 FAFSA will be able to utilize IRS Data Retrieval Tool beginning October 1st, 2016
- More students/families will be able to utilize IRS Data Retrieval Tool due to use of 2015 tax information
- Data available in English and Spanish



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IRS Data Retrieval Tool

- FAFSA includes logic/questions to determine if applicant is eligible to use the IRS Data Retrieval Tool
- Applicant's response will either take the applicant to the IRS system OR provide a message that the applicant should enter their own income information to complete the FAFSA
- Rather than "opting in" to the IRS Data Retrieval, applicants must "opt out"



IRS Data Retrieval Tool Challenges

- Address must match address on filed IRS Income Tax Return
- Cannot be used if tax filer's marital status has changed since filing 2015 taxes
- Cannot be used if legal parents live together but are not married
- Cannot be used if parents are married, but filing separately
- Cannot use if foreign or US Territory tax filer

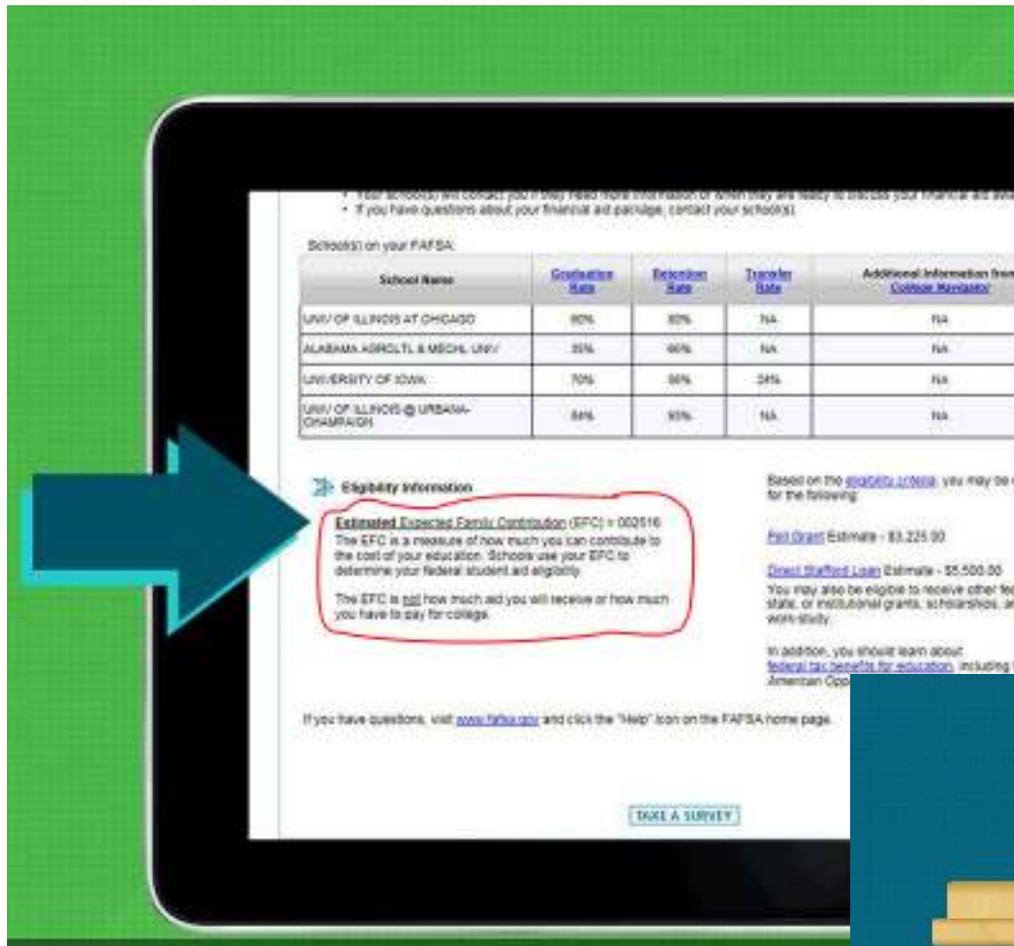


Frequent FAFSA Errors

- Parent and Student Social Security Numbers
- Divorced/remarried/unmarried but living together parental information, which belongs on the form
- Income earned by parents/stepparents
- Untaxed income
- U.S. income taxes paid
- Household size
- Number of household members in college
- Real estate and investment net worth
- Not signing the FAFSA
- Not submitting the FAFSA



FAFSA Confirmation Page



FAFSA Completion Resources

www.fafsa.gov

FINANCIAL AID TOOLKIT: <http://financialaidtoolkit.ed.gov/tk/>

2017-2018 FAFSA Resources:

<https://financialaidtoolkit.ed.gov/resources/federal-student-aid-resources-for-fafsa.pdf>

Do You Need Money for College?

<https://studentaid.ed.gov/sa/sites/default/files/2016-17-do-you-need-money.pdf>

Creating and Using Your FSA ID:

<https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid>



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Additional FAFSA Resources

Search for Financial Aid Tools and Resources:

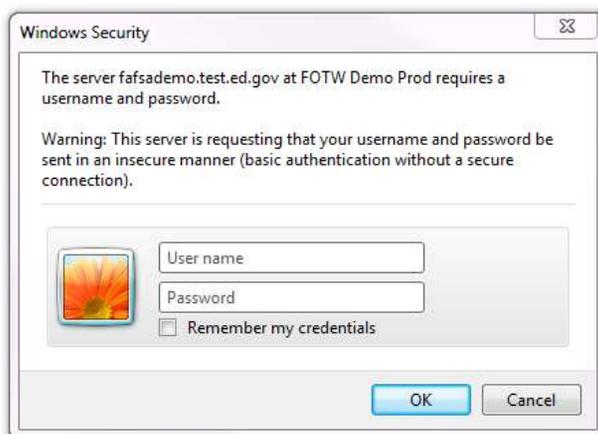
- <https://financialaidtoolkit.ed.gov/tk/resources.jsp>
- Contains documents, videos, power point slides, social media items that can provide FAFSA completion support as well as informational pieces for students/parents.
- Can sort for types of materials, desired audience, calendar timing



Additional FAFSA Resources: FAFSA Demo Site

fafsademo.test.ed.gov

- A demonstration site is available so you can increase your own understanding of the FAFSA and show it to students before they apply.



- Enter the user name eddemo and the password fafsatest, and you're all set.

Note: This site is purely a learning tool.



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FAFSA Completion Tool

Available at <https://studentaid.ed.gov/sa/about/data-center/student/application-volume/fafsa-completion-high-school>

- Data available by state or territory
- Report alphabetical by high school
- Shows number of completed and submitted Free Applications for Federal Student Aid (FAFSAs) for current and previous application cycles



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Determining Eligibility for Financial Aid



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Financial Aid Eligibility

Cost of Attendance (COA)

$$\begin{aligned} & - \text{Expected Family Contribution (EFC)} \\ & = \text{Financial Aid Eligibility} \end{aligned}$$

Colleges fill in Financial Aid Eligibility with financial aid from all sources



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Cost of Attendance

Total expenses for one year of college



Tuition & Fees



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Expected Family Contribution (EFC)

- An index of financial aid eligibility that represents a family's financial strength
- Stays the same regardless of college, although colleges may use a different analysis for their institutional funding
- Calculated using FAFSA data and a federal formula
- Two components
 - Parent Contribution
 - Student Contribution



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What is the Expected Family Contribution (EFC)?

- Considers parent and student income
- May consider parent and student assets
- Considers number of family members
- Considers number of children in college (excludes parents in college)
- Does NOT consider an individual family's monthly financial commitments, such as mortgage, living expenses, consumer debt, etc.

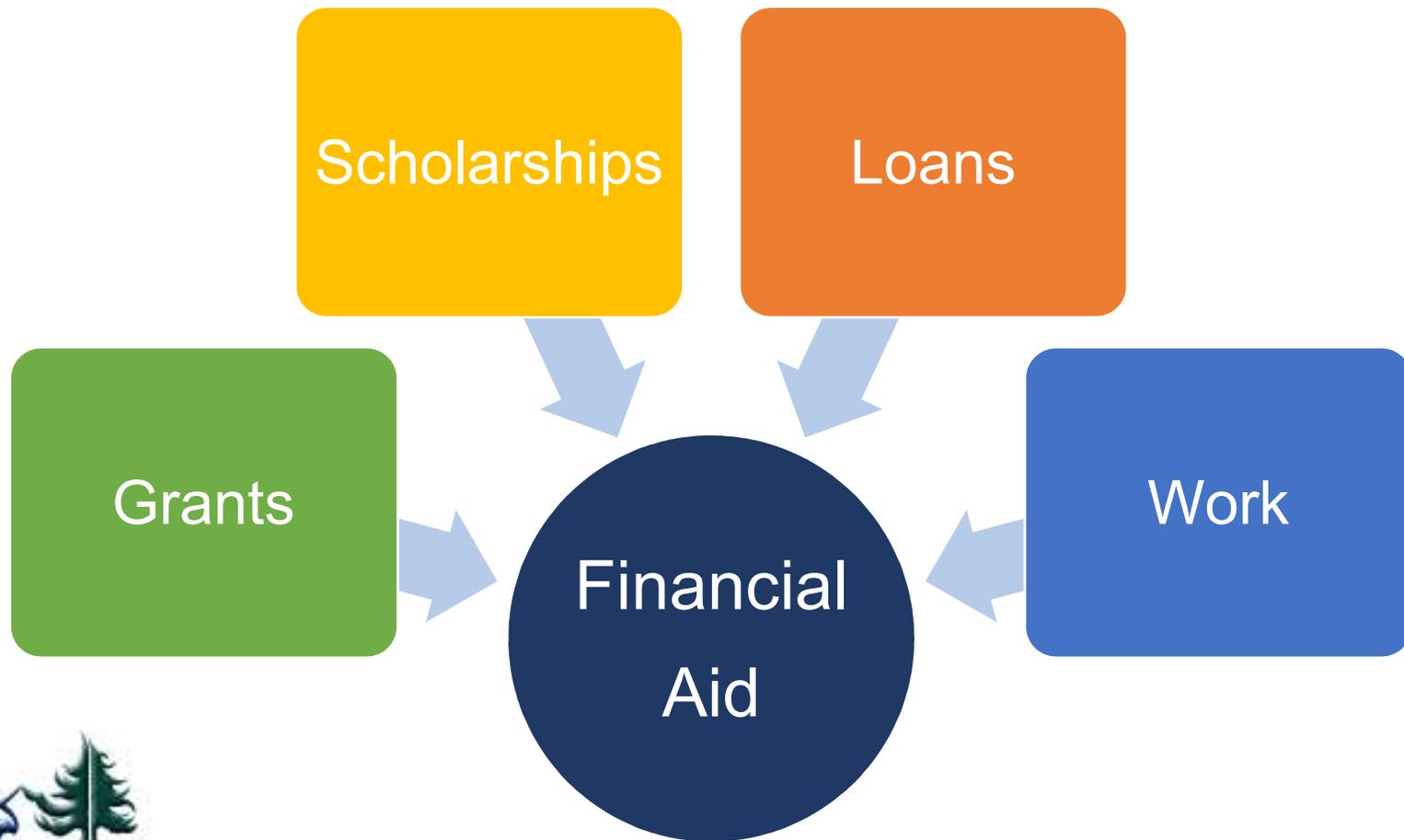


Types and Sources of Financial Aid

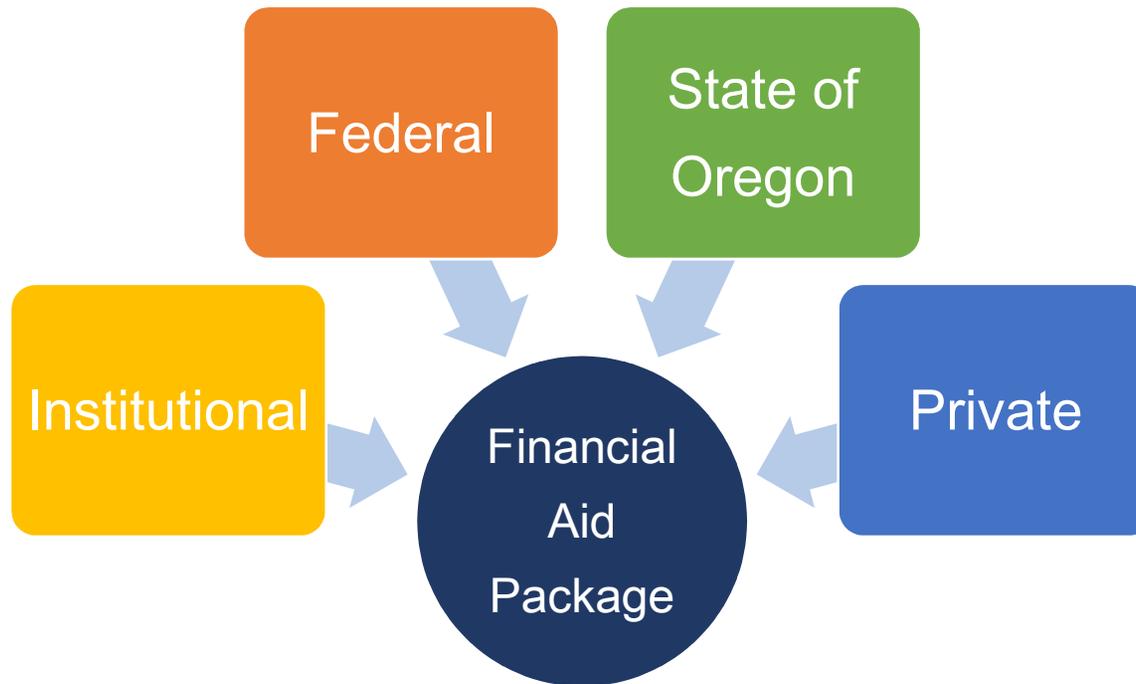


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Types of Financial Aid

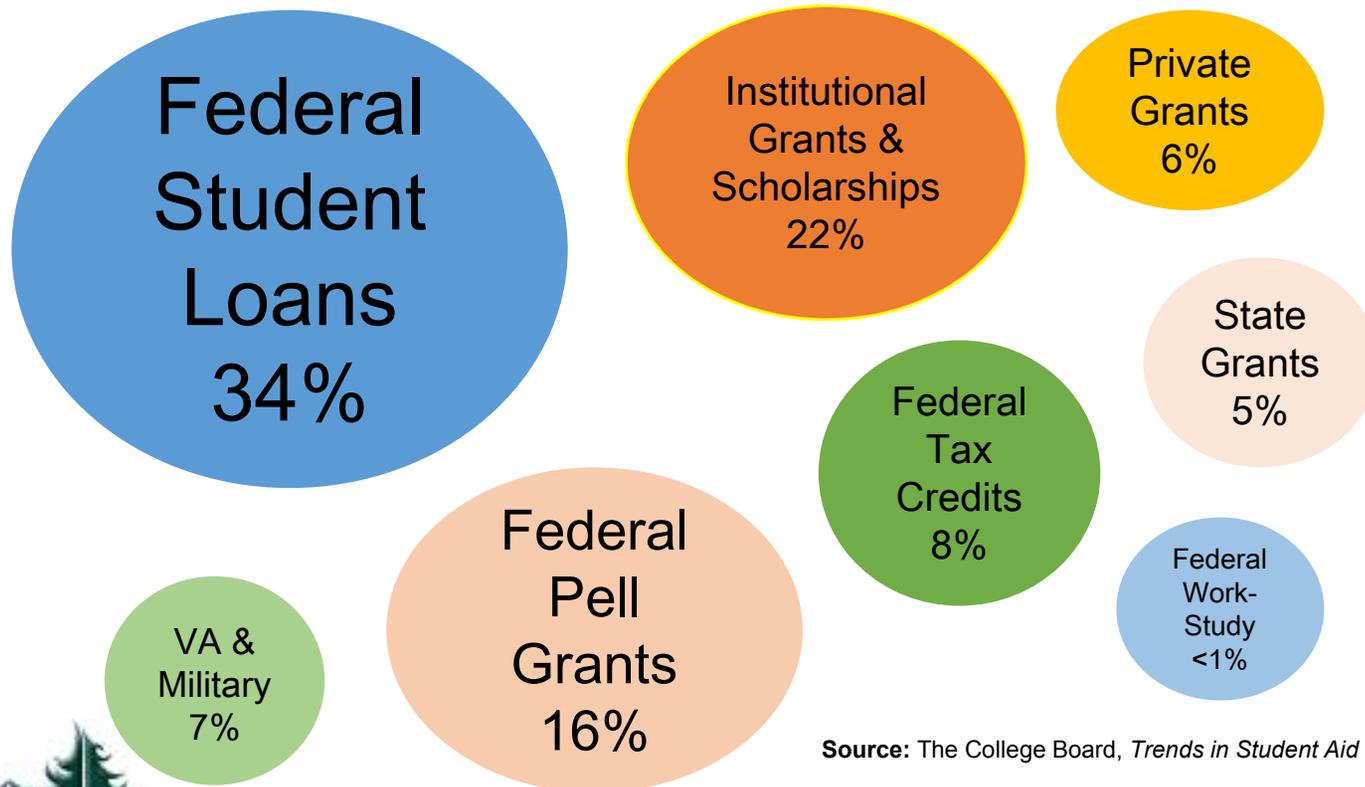


Sources of Financial Aid



Financial Aid Breakdown

Undergraduate Student Aid 2014-15 (\$183.9 Billion)



Source: The College Board, *Trends in Student Aid 2015*



If you get this question:

“How much aid will I receive?”



- Your answer should be
 - The financial aid office at your college will let you know the amount of financial aid you are eligible to receive
 - Your college will use your EFC to prepare a financial aid package to help you meet your financial need
 - Financial need is determined by the cost of attendance (COA) at your college minus your EFC
 - COA is tuition, fees, room & board, book & supplies, transportation, etc.

Grants (Gift Aid)

Programs	Annual Amount
Federal Pell Grant	Up to \$5,920 for 2017-2018
Federal Supplemental Education Opportunity Grant	\$100-\$4,000
Teacher Education Assistance for College and Higher Education Grant (TEACH Grant)	Up to \$4,000
Iraq & Afghanistan Service Grant	Visit StudentAid.gov/Iraq-Afghanistan
Oregon Opportunity Grant	Up to \$2,250, depends on funding Visit www.oregonstudentaid.gov
College/University Grant	Amounts Vary



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Who Gets Grant Aid in Oregon?

- Oregon Opportunity Grant (OOG)
 - Applicants who file a Free Application for Federal Student Aid (FAFSA) at www.fafsa.gov and meet state eligibility criteria
 - Applicants who file the Oregon Student Aid Application (ORSAA) at www.oregonstudentaid.gov and meet state eligibility criteria
- Oregon Promise at Oregon Community Colleges
 - Must complete Oregon Promise Application in OSAC Student Portal by deadlines, and
 - Complete FAFSA or ORSAA



Loans

(money you pay back with interest)

Federal Loan Programs	Borrower	Annual Amount	Loan Fee	Interest Rate
William D. Ford Federal Direct Stafford Loan • Subsidized • Unsubsidized	Student • Undergraduate • Graduate – Unsubsidized only	Amounts vary based upon grade level, dependency status, and program; annual and aggregate limits apply	Yes	“Variable-Fixed”
Federal Perkins Loan	Student	Amounts vary, no more than \$5,500	No	Fixed at 5%
William D. Ford Federal Direct PLUS Loan	• Parent on behalf of their Dependent Undergraduate • Graduate student	COA – EFA = Amount	Yes	“Variable-Fixed”



INTEREST ON FEDERAL LOANS MAY BE TAX DEDUCTIBLE

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Annual Federal Direct Loan Limits Undergraduate Students

Grade Level	Base Amount: Subsidized/ Unsubsidized	Supplemental Unsubsidized	Total Annual Maximum DEPENDENT UNDERGRADUATE	Additional Unsubsidized INDEPENDENT UNDERGRADUATE And for dependent students whose parents cannot obtain Direct Parent PLUS Loan	Total Annual Maximum INDEPENDENT UNDERGRADUATE And for dependent students whose parents cannot obtain Direct Parent PLUS Loan
Freshman	\$3,500	\$2,000	\$5,500	\$4,000	\$9,500
Sophomore	\$4,500	\$2,000	\$6,500	\$4,000	\$10,500
Junior	\$5,500	\$2,000	\$7,500	\$5,000	\$12,500
Senior	\$5,500	\$2,000	\$7,500	\$5,000	\$12,500

Other Loans

- Student Loans
 - Private (Alternate) Education Loans
 - Apply with a bank/credit union
 - Most will require credit-worthy cosigner
 - Institutional Loans
 - Check with the college to see if they are offered
- Parent Loans
 - Private (Alternative) Education Loans
 - Apply through bank/lending program
 - Limited programs available
 - Credit-based



**INTEREST ON PRIVATE LOANS NOT TAX
DEDUCTIBLE!**

Employment Opportunities

- Students can work part time while enrolled
 - Federal Work-Study
 - Requires FAFSA
 - Need-based
 - Campus Employment
 - Funded by school
 - May or may not require FAFSA
 - May or may not be need-based
 - May or may not be included in a financial aid package



If you get this question:

“How will I get my financial aid ...?”

WHO PAYS OUT YOUR FINANCIAL AID?



YOUR SCHOOL

THE GOVERNMENT

Changes in Federal & State Aid

- Federal Perkins Loan program due to sunset September 30, 2017
 - New legislation in late 2015 extended program for two years and eliminated all grandfathering provisions
- Oregon Promise
 - Funding for Oregon Promise for the 2017-18 academic year is subject to Oregon Legislative approval; more information will be available in spring, 2017



Informational Resources



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Federal Resources

- FAFSA: www.fafsa.gov
- FSA ID: <https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid>
- Federal Student & Parent Loans: www.studentloans.gov
- Federal Student Aid Information, YouTube Videos, infographics: <https://studentaid.ed.gov/sa/>
- Publications: www.fsapubs.ed.gov
- National Training for Counselors and Mentors (NT4CM) Toolkit: <http://financialaidtoolkit.ed.gov/tk/training/nt4cm/resources.jsp>



State of Oregon Resources

- OSAC: Office of Student Access and Completion
 - www.oregonstudentaid.org
 - Oregon Opportunity Grant (OOG)
 - Scholarships
 - Oregon Promise
 - Join the Listserv
 - <http://listsmart.osl.state.or.us/mailman/listinfo/oregonpromise>



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Questions?



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