

For Parents and Students

The Basics of Applying for Financial Aid

Paying for college is a family proposition: Parents have certain responsibilities in the process, and so do students. *It is absolutely vital that everything be done in a timely fashion, strictly according to deadlines.* To drag your feet may very well mean that you will end up without aid.

At least one, and often as many as three, forms are required to apply for financial aid. In order of frequency, they are the Free Application for Federal Student Aid (**FAFSA**), the College Scholarship Service Financial Aid Profile (**CSS Profile**), and, in many cases, the college's own **institutional form**. The CSS Profile is available online only; the FAFSA is available online or in paper form, though almost everyone now uses the online version. When completed, the FAFSA and the CSS Profile are sent to central agencies to be processed and forwarded to colleges. Families complete only one FAFSA and/or Profile. Institutional forms, on the other hand, are requested directly from each college and returned to its financial aid office. Forms are obtained online or directly from the colleges. Get the colleges involved immediately. They are a helpful resource and it is wise of you to familiarize yourself with an office you may be working with for the next four years.

The FAFSA

Stands for "Free Application for Federal Student Aid." *Required by every college and university.* As the name implies, there is no fee connected to the FAFSA, which determines your eligibility for federal financial aid funds, the backbone of every college financial aid program. It is provided by the U.S. Department of Education. The FAFSA is available online at <http://www.fafsa.ed.gov>. (Note: Do not go to [FAFSA.com](http://www.fafsa.com)! This is a commercial website that processes the FAFSA for you, for a significant fee.)

Note that although the FAFSA is addressed to the actual aid applicant, i.e. the student, parents complete the form most of the time, supplying financial information for themselves as well as for their child (job earnings, savings, etc.).

The FAFSA must be filed between January 1 (not before!) and February 1. Most families now file online; those who prefer the paper version should see below under "Completing Financial Aid Forms." Parents who own their own business may have to fill out additional forms .

THE CSS PROFILE

The College Scholarship Service Profile, or CSS Profile, is available by mid-October of a student's senior year. It is required by over 250 private colleges/universities, in addition to the FAFSA. The Profile is in online form only, at www.collegeboard.com. *Because we have found inaccuracies in the listing of colleges that accept this document, you should check with each college to verify if they do, in fact, require the Profile. You should register with the Profile online at least three to four weeks before your earliest financial aid deadline!* For the 2009-2010 school

year, the cost was \$25 for the initial application and one college; additional colleges are \$16 each.

INSTITUTIONAL FORMS

Some, but not all, colleges use their own supplemental forms, which usually ask a few specific questions not covered on the FAFSA or the Profile. These are available only from the college and are returned directly to its financial aid office *Obtaining these forms is your responsibility.*

In general, always call a college's financial aid office if you have questions about financial aid at a particular school. Don't rely on second-hand information.

Completing Financial Aid Forms

(Online completion is much faster and is recommended for the FAFSA; it is required for the CSS Profile. Families who need to send a paper FAFSA may call 1-800-FED-AID [433-3243] or download a PDF version from the FAFSA website.)

1. Assemble the records you will need:
 - Completed income tax forms for the most recent year or, if not yet available, the most up-to-date tax information you have
 - W-2 Forms and other records of money earned in that year
 - Records of untaxed income such as welfare, social security, AFDC, or veterans' benefits
 - Current bank statements
 - Current mortgage information
 - Business (farm) records
 - Records of stocks, bonds, other investments
 - Student's driver's license and social security card
 - Student's alien registration card (if applicable)
2. Round all figures to the nearest dollar.
3. Use proper names, not nicknames, and make sure the Social Security number reported matches the one on the student's card.
4. Complete all the required sections of the form.
5. If the instructions tell you to skip a question, leave it blank. If your answer to a question is "none" or "zero," put a zero in the answer space.
6. **Do not** date or submit the FAFSA before January 1. **Do** submit all the forms at least two to three weeks prior to your earliest financial aid deadline. **If you do not have the required tax forms in time to complete the FAFSA, estimate your figures as closely as possible for the current year.** You will have the opportunity to correct the figures later when you know the exact amounts (see #9 below). **Make a copy of all forms for your records. Also, be sure to keep a record of all PINs and account numbers.**

7. Your FAFSA will be processed faster if you put in the correct, 6-digit Title IV Code and the name of the college in the appropriate place. These codes are **not** the same as the College Board 4-digit codes used on the CSS Profile. You may list the college and its address without the code, but make sure you have the correct city (for example, Boston College is not in Boston!). The FAFSA allows you to list only six colleges. If you are applying to more than six, first list the schools with the earliest financial aid deadlines. Within a week you will receive an e-mail informing you that FAFSA information has been sent to those colleges. You can then go back online, delete the original six colleges, and add the rest of your list.
8. Within about a week of receiving your electronic form, you will be able to log on with a PIN and see your Student Aid Report (SAR). The SAR will provide you with a figure called the Expected Family Contribution (EFC). It may also request additional information. Colleges receive a SAR at the same time you do; it is used in determining your eligibility for aid.
9. *If you made mistakes on the FAFSA, you may correct them after the form is initially processed.*
10. Mail paper forms in the separate envelopes provided for each form. DO NOT express-mail your forms or send them via certified mail (return receipt). Doing so will slow down the processing of your forms.
11. For questions about the status or the processing of an application or to request duplicate copies of your SAR, call 319-337-5665.

EARLY DECISION APPLICANTS

Some colleges are reputed to save financial aid dollars by “under-funding” Early Decision applicants on the theory that if they want to attend badly enough to apply ED, they will find the extra money. While it is true that an Early Decision applicant will not have the opportunity to compare financial aid offers from different institutions, we have almost always found that these students receive the same packages as regular decision applicants. In fact, many selective colleges, including the Ivy League, have gone on record to say that early applicants receive the same treatment from the financial aid office as anyone else. It is nonetheless important to ask about ED financial aid policies if you will be applying for aid. If you do not get a straight answer, we will be happy to call the college.

DIVORCED/SEPARATED PARENTS

It is important for divorced parents to understand that no one will be penalized simply for being divorced. According to the FAFSA website, the student should file financial information only for the parent with whom he or she lived the most during the past year. If the student divides his or her time equally between both parents, then information should be provided for the parent that provided the most financial support.

Understanding Financial Aid Awards

Financial aid letters may accompany letters of acceptance; often they are sent separately. When letters are sent early in the year, some colleges may not specify the exact amount of state and federal aid they are offering you, but rather an estimated award. You will receive exact figures in another, later letter. Here are suggestions on how to read and respond to a financial aid letter:

- Look at the combination of awards in the “package.” As we mentioned in the previous section, it will consist of two types of aid: “gift aid” (such as *grants* that do not have to be repaid), and “self-help” (usually a combination of *work* and *student loans*).
- In comparing your different packages, pay attention to two things: your *net cost* to attend each institution after financial aid, and the *proportion of grants to loans*. Do not be dazzled by the total amount of money a college offers you; focus on how much you will have to pay out of pocket over the course of four years, both as tuition expenses during your college years and as loan payments afterwards.
- Look for special conditions or requirements attached to your awards. For instance, some institutions require financial aid recipients to maintain a certain grade-point average in order to continue receiving aid. Be sure you call the college and ask about the conditions before you pay your enrollment deposit.
- Be aware that most need-based awards (this is what “financial aid” is, after all, need-based) involve federal money for both grants and loans. Financial aid administrators must adhere closely to government guidelines in awarding federal dollars, and few colleges have enough to meet every applicant’s full need. Even though your need is entirely legitimate, colleges may, for various reasons, award larger packages to other students.
- If you are offered a Federal loan, it will be “subsidized” or “unsubsidized.” A subsidized loan does not accrue interest while the student is in college; an unsubsidized loan does.
- If you are a recruited athlete, *be aware that coaches cannot promise financial aid!* They can work on your behalf in the financial aid office, but the final aid offer is always up to them, not the coach. Therefore, beware of promises made before you receive a formal financial aid offer.
- If you have questions about your financial aid award, or if you or your family believe that it does not meet your needs, call the college’s financial aid office. Be polite; do not panic or become angry. You will find that most financial aid officers are very helpful. Review any circumstances you think may have been overlooked, and be prepared to offer concrete information if you want them to review your award. The college may be able to adjust your package based on new information, or they may match an offer from another college. Not all colleges will negotiate financial aid awards, however; each institution has different priorities and policies.

- If you are considering more than one college, wait to receive a financial aid letter from each school before making a final decision. While every college will ask you to accept or decline their offer of aid by a specific deadline, they will usually extend the deadline upon your request if you are still waiting to hear from other institutions.
- Once you make a final decision, do not miss the reply deadline; if you do, your money could go to someone else! Follow very carefully the instructions in your award letter, which may ask you to provide more information or to select a lender for a student or parent loan. Complete and sign the necessary forms and send it in. Be sure to notify the other colleges that accepted you that you will not be attending.

Know your deadlines! They vary from college to college, so read admission materials very carefully, and stay on track from the beginning. A student who does not need financial aid may have a bit of flexibility in terms of certain deadlines. *An aid applicant does not.*