

FAFSA and Financial Aid

FAFSA is the easy way of saying Free Application for Federal Student Aid. The application is free so you have nothing to lose even if you think you don't qualify. You'll need to work with your parents to complete this because their income and tax information is required.

Tips for Completing the FAFSA

- Fill out the FAFSA as soon after January 1 of your senior year as you can.
- If you don't have all the final figures, it's better to give an honest estimate than wait weeks for the final figures. You can go back and correct the information on the FAFSA, if you need to.
- Report requested assets. Don't report retirement savings or home equity.
- Debts don't count for financial aid so reduce assets by paying down debts before applying.
- Parents are expected to contribute 5-6% of their assets toward school costs. Students are expected to contribute 35% of their assets. So, it's better to have assets in your parent's ownership.
- Even if you don't get aid the first year, apply each year. Financial situations can change and you may become eligible.

Financial Aid Process

After you submit the FAFSA, you will receive your Student Aid Report (SAR). This states the Expected Family Contribution (EFC), which is the dollar amount that you and your family are considered able to contribute for the school year.

This information is also sent to schools where you applied. After a school accepts your application and receives the EFC, the school sends you an award letter. Award letters arrive in March and April. This letter outlines the grants, work-study, and loans that you qualify for. If you have applied to several schools and they have accepted you, you will receive an award letter from each one.

The next step is to decide which school and award letter to accept. You may be able to get more money from the most desirable school if the award letters from other schools offer you more aid. If a school wants you, they may offer more financial aid. Or, you may give them information that is not reflected on the FAFSA and that justifies a higher award. Some schools even encourage you to send copies of other school's award letters to them. Go for the best deal at a school you are satisfied with.

Helpful Web Sites

The following web sites help you complete the FAFSA and provide information about the college admission and financial aid process:

<http://www.fafsa.ed.gov/>

Here is the site where you will find the FAFSA and instructions on how to apply.

<http://www.princetonreview.com/college/finance/fafsa/intro5.asp>

This site has useful tips for filing out the FAFSA and other financial aid forms that colleges may require.

<http://studentaid.ed.gov>

This site is provided by the federal government and gives guidance on preparing for college, applying for admission, finding scholarships, types of financial aid, loan repayment and much more.

<http://www.finaid.com>

This site has information on scholarships, savings, loans, military aid, FAQs, and calculators. You can even estimate your Effective Family Contribution (EFC) on this web site.

Other commercial sites may also be helpful. Keep in mind that they may be biased or may be sponsored by someone trying to sell you something.