



Understanding Financial Aid and FAFSA

MARTIN

AGENDA

- ❖ Free Application for Federal Student Aid
- ❖ Financial Need
- ❖ Sources of Financial Aid
- ❖ CSS Profile



What is Financial Aid?

- Financial aid helps students and families cover college costs. It includes grants, scholarships, loans, and work-study programs.



Completing the FAFSA

- Each contributor must create an FSA ID and password at: <https://studentaid.gov/>
- The FSA ID serves as your electronic signature and provides access to other Department of Education websites.
- Be sure to use a valid email address in order to receive all necessary communication from the Department of Education

FSA ID

Be aware of new requirements

1. Two-step verification
2. All FAFSA® contributors must have an FSA ID to log into online form
3. New process to get an FSA ID for parents and spouses without a Social Security number



The image shows a smartphone screen displaying the StudentAid.gov website. The browser address bar shows 'studentaid.gov'. The page title is 'Create an Account (FSA ID)'. Below the title is a progress bar with 7 segments, the first of which is green. Below the progress bar, it says 'Step 1 of 7' and 'Personal Information'. There are three input fields: 'First Name', 'Middle Initial', and 'Last Name'. Each field has a question mark icon to its right. The 'Last Name' field has a small owl icon to its right. The 'Federal Student Aid' logo and a 'MENU' button are visible at the top of the page.

Please note: Within the FAFSA form, the contributor can verify that their personal information is correct. If they need to update any of their personal information, the contributor must access their Account Settings on StudentAid.gov.

Prior-Prior Year FAFSA

The 2026-2027 FAFSA is expected to be available October 1st, 2025

IF YOU PLAN TO ATTEND COLLEGE FROM	YOU WILL SUBMIT THIS FAFSA	YOU CAN SUBMIT THE FAFSA FROM	USING TAX INFORMATION FROM
JULY 1, 2026 – JUNE 30, 2027	2026-2027	October 2025* - JUNE 30, 2027	2024

*Please note this is subject to change based on the Federal Government's Timeline



Documents Used to Complete FAFSA

- 2024 Federal Income Tax Returns
- Child support received during last full calendar year
- Current balances of cash, savings, and checking accounts
- Net worth of investments, businesses, and farms
 - Net worth is the value of the business minus the debts owed against it

Who should start the FAFSA?

-  **Recommended: Student Starts the FAFSA**
 - Student completes their section first.
 - Invites parent(s) to complete their portion.
 - Parent provides consent for Federal Tax Information (FTI) and signs the form.
-  **If Parent Starts the FAFSA**
 - Parent answers questions for both themselves and the student.
 - Student must log in separately to provide FTI consent and sign the form.



FAFSA[®] FORM 2024-25

Welcome, Raya,
to the FAFSA[®] Form

I am starting the FAFSA form as a

Student 

Parent 

Previous Continue

Which contributors are needed to complete the FAFSA?

Family Situation	Who to Include
Married Parents	Both parents
Remarried Parents	Parent who provided more financial support* + Stepparent
Parents Unmarried, Living Together	Both Parents
Divorced/Separated Parents	Parent who provided more financial support*

**If support was equal, include the parent with higher income.*

FAMILY SIZE AND NUMBER IN COLLEGE

- Family size determined using tax return data; can adjust if info has changed or does not reflect applicant's current family size
- Number in college no longer part of need analysis but question will remain on FAFSA® form



26

Top Mistakes to Avoid

1. IRA/Pension Rollovers

- Check **IRS Form 1040** (lines 4 & 5)
- If listed, verify with **Form 1099-R**
 - Look for **Distribution Code G** (indicates rollover)

2. Reporting Scholarships as Income

- Enter **“0”** for college grants/scholarships/AmeriCorps benefits
- **Exception:** If taxable scholarship appears on: **Schedule 1, Line 8r** or **W-2**

3. Loan Application Error

- Don't select **“Direct Unsubsidized Loan Only”**
- Choose **“No”** and include **parent info** to access full aid options

4. Misreporting Retirement Accounts

- **Do NOT** list retirement accounts as assets



**KEEP
CALM
AND
READ INSTRUCTIONS
CAREFULLY**

Understanding the FAFSA[®] Form

4 of 4

After Submitting the FAFSA[®] Form

After submission, you'll need to check on the status of your FAFSA[®] form and make corrections, if required.

- Your form will be processed in 1–3 days.
- You'll receive a FAFSA Submission Summary. It will include the Student Aid Index (SAI), a number used to determine federal student aid eligibility.
- Schools will use your SAI to create your financial aid offer that explains the types and amounts of aid they are offering you. Most schools will wait to send you an aid offer only after they accept you for admission.

Previous

Start FAFSA form

Checking the status of your FAFSA

To check your status:

- Log in to studentaid.gov
- Go to “My Activity” to view your current FAFSA status

Status	What It Means
 Draft	Started but not completed
 In Progress	Completed sections, but not submitted
 Action Required	Error detected—needs correction(possible FTI Consent or Signature)
 In Review	Submitted—awaiting processing
 Processed	Successfully submitted and processed
 Closed	Form started, but not submitted before the deadline

FEDERAL STUDENT AID ESTIMATOR

Newly redesigned tool at
StudentAid.gov/aid-estimator



Good news! The student may be eligible for federal student aid.



Estimates

These results are based on a new method—the Student Aid Index (SAI)—an index to determine federal student aid eligibility.

Approx. Estimated Federal Student Aid
\$13,310

Federal student aid from the U.S. Department of Education (ED) helps cover expenses such as tuition, fees, books, supplies, food, housing, and travel—but it is not the only source of funding for the students' college costs. Scroll down to the "Other Factors to Consider" section to see some additional options that may help students lower their college costs.

Estimated Pell Grant Award

\$2,345

Maximum Available Direct Loans

\$9,500

Average Work-Study

\$1,465

These estimates are all approximate calculations.

[More information about these numbers](#) ▾

Estimated Student Aid Index (SAI)

SAI is an eligibility index number that the financial aid office of the college uses to determine how much federal student aid the student would receive if the student attended their school. Taking into consideration the student's or parent's income and assets, a need-based analysis generates an estimated SAI value.

Estimated Student Aid Index (SAI)

3,821

What is the Student Aid Index (SAI)?

(formerly known as Expected Family Contribution (EFC))

- The Student Aid Index (SAI) is a number that determines each student's eligibility for certain types of federal student aid.
- Calculated using data from the federal application form (FAFSA) and a federal formula.

Factors Considered in Calculating the SAI:

1. Income
2. Assets
3. Household size
4. Federal poverty guidelines



What is Cost of Attendance (COA)?

- Billable Costs
- Non-Billable Costs
- Varies from college to college
- Includes:
 - Tuition and fees, housing and food, books, travel, miscellaneous expenses.

What is Financial Need?

Cost of Attendance

- Student Aid Index (SAI)

- Other Financial Assistance (OFA)

= Financial Need

Types of Financial Aid

- Gift Aid

- Scholarships
 - Merit/Academic
- Grants
 - Need-based

- Self-Help Aid

- Need-based
 - Federal College Work Study
- Non-need based
 - Campus Employment
- Loans



Scholarships

Institutional:

- Academic Scholarship
- Alumni/Legacy Scholarship
- Athletic Scholarship
- Music Scholarship
- Theatre Scholarship
- ROTC Scholarship

Private:

- Endowed Scholarships
- Outside Scholarships

Grants



Federal Grants

- Pell Grant: \$740 – \$7,395 (2025–2026)
- SEOG: Supplemental Educational Opportunity Grant
- TEACH Grant: Up to \$4,000/year (Max \$16,000 over 4 years)



State Grant (New York)

- TAP: Tuition Assistance Program \$1,000 – \$5,665 (2025–2026)



Institutional Grants

- Need-Based Grant

Student Employment

- Allows student to earn money to help pay educational costs and learn “real life” work skills
- Awarded as Campus Work Study or Campus Employment
- Earnings not applied toward the bill
- Student receives a paycheck

Federal Direct Loans: (Subsidized and Unsubsidized)

Subsidized Direct Loan:

- Need-based
 - Government pays interest earned while in school

Unsubsidized Direct Loan:

- Financial need is not a consideration
- Interest accrues
- Interest payments can be made or deferred

Effective 7/1/25-7/1/26
Fixed interest rate
of 6.39%

Origination Fee of 1.057%

First-Year Student annual
loan limit \$5,500

Federal Direct PLUS Loan

- Available to credit-approved parents of dependent undergraduate students
- FAFSA must be filed to receive a Federal PLUS Loan
- **Annual limit: \$20,000 per student**
- **Lifetime cap: \$65,000 per student**
- Repayment begins after final disbursement for the year

(Deferment no longer available starting 2026–27)

Federal PLUS Loan:
Effective 7/1/25-7/1/26
Fixed Interest Rate of 8.94%
Origination Fee of 4.228%

Private Loans

- Loan can be in the student's or parent's name
- Credit-based approval required
- May borrow up to the cost of attendance, minus all other financial aid
- Interest rates, terms, and fees vary by lender (may be fixed or variable)
- Check if your school has a lender list

Monthly Payment Plan

- Convenient alternative to lump-sum, semester payments
- Payments can be made over specified time period
- Enrollment fee per semester
- No credit review

The College Scholarship Service (CSS) Financial Aid PROFILE

- Used by some colleges and universities to award their own institutional financial aid funds. This form is in addition to completing the FAFSA.
- Review the colleges' websites to determine if the PROFILE is required or for priority filing dates.
- \$25 for the initial application; \$16 charged for each additional college you request. (Free if your AGI is less than \$100,000!)
- Students register and complete the PROFILE online at <http://student.collegeboard.org/profile>
- PROFILE is not required for federal financial aid

Points to Remember

- Read the FAFSA and PROFILE instructions carefully
- Financial aid and state requirements and deadlines may vary with institutions
- The FAFSA must be completed or renewed every year the student is in college in order to be eligible for financial aid

Online Resources

- Federal Student Aid Downloadable Resources:
<https://studentaid.gov/sa/resources>
- FAFSA on the Web: <https://studentaid.gov/h/apply-for-aid/fafsa>
- Department of Education Student Information: <http://studentaid.gov>
- 7 Things To Do After Submitting Your 2025-2026 FAFSA Form:
<https://studentaid.gov/articles/things-after-fafsa/>
- New York State TAP: www.hesc.ny.gov
- Net Price Calculator: A tool used to estimate net cost of a specific institution
<https://www.marist.edu/financial-aid/net-price-calculator>
- Marist College Office of Student Financial Services:
<https://www.marist.edu/sfs>







