



Financial Aid 101



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Discussion Topics

- What Is Financial Aid?
- College Costs and Planning Tools
- Financial Aid Eligibility
- Types of Financial Aid
- Applying for Financial Aid
- Next Steps
- Tips for Students and Families

Important note: Because of the nature of federal, state, and institutional guidelines affecting financial aid programs, the information contained in this presentation is subject to change.



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What Is Financial Aid?



Financial aid is money used to pay for school.



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Financial Aid Is NOT

- Credit cards
- Shopping
- Buying a car
- Partying
- Spring break/vacation



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College Costs

DIRECT COSTS

Paid DIRECTLY to the university (billed each term) and includes:

- Tuition and mandatory fees
- Housing and food

INDIRECT COSTS

Paid to others and can include:

- Books, course materials, supplies & equipment
- Miscellaneous personal expenses
- Transportation



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College Costs:

U-M Cost of Attendance

	In-State	Out-of-State
Tuition & Fees**	\$ 18,346	\$ 63,962
Living Expenses‡	\$ 16,246	\$ 16,246
Books, Course Materials, Supplies & Equipment	\$ 1,184	\$ 1,184
Transportation	\$400	\$400
Misc. Personal	\$ 2,372	\$ 2,372
TOTAL	* \$ 38,548	* \$ 84,164

* This is the maximum amount of financial aid you can receive.

** Tuition and fees listed are based on approved rates for the 2025-2026 academic year. Rates are approved each June by the U-M Board of Regents and estimated budgets are updated at that time. Tuition and fees may be higher or lower depending on a student's program of study; these estimated budgets use information from the College of Literature, Science and the Arts. Current tuition information is available through the Office of the Registrar.

‡ Based on the unlimited basic residential meal plan.



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College Costs & Planning Tools



Cost planning tools:

→ Net price calculator, aid comparisons, and more



[finaid.umich.edu/tools-resources/
planning-tools-calculators](https://finaid.umich.edu/tools-resources/planning-tools-calculators)
[#comparing-financial-aid-offers](#)

College Scorecard:

→ Compares colleges from around the country



collegescorecard.ed.gov



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More Planning Tools

Net Price Calculator

- A free, interactive tool that provides estimated net cost
- Uses institutional data
- Calculates individual situations



npc.collegeboard.org/app/umich

Federal Student Aid Estimator

- Free federal tool
- Early estimate for federal student aid
- Offers options to pay for college



studentaid.gov/aid-estimator/



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Financial Aid Eligibility

Student Aid Index

- Calculated using a federal formula with information from the FAFSA
- Eligibility indicator for financial aid
- The same at every institution



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Calculating Financial Need

Cost of Attendance (COA) example	\$38,548
Student Aid Index (SAI) example	minus \$5,000
Calculated Need	\$33,548



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Types of Financial Aid

Free Money

Grants, some scholarships, Work-Study, and a subsidized federal loan are need-based.

Earned Money

Borrowed Money

An unsubsidized loan is not need-based, and students can receive one as long as the FAFSA has been completed and full costs aren't already met.



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Free Money (or, Gift Aid)

→ Scholarships

- ◆ Earned in some way: grades, skills, service, etc.
- ◆ Awarded by a variety of organizations
- ◆ May, or may not, require FAFSA and/or other applications

→ Grants

- ◆ Need-based
- ◆ Must complete FAFSA to apply
- ◆ May need to complete other applications such as CSS Profile or other institutional forms



Explore Scholarships

- Use FREE scholarship search engines
 - Examples: College Board's Scholarship Search, Appily, Fastweb!, CollegeScholarships.com, Scholarship America
- Search based on your interests, career goals, and affinities
- Maximize local and state resources
 - Examples: U-M Alumni Clubs, State of Michigan scholarship programs, local Promise and regional scholarships, Community Foundation awards



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Watch For Scholarship Scams

Be skeptical about:

- Scholarships with application fee
- No contact telephone number
- Unsolicited scholarship opportunity
- Hype or pressure to participate
- Scholarship services that guarantee success
- Social Security number, checking/savings account info requested



studentaid.gov/resources/scams



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Understand Your Scholarship

→ One-time vs. renewable

- ◆ If renewable, are there requirements?
- ◆ GPA
- ◆ Specific major/degree program
- ◆ Full-time

→ Tuition-specific scholarship

→ What's the value of the scholarship?

- ◆ Full ride vs. partial (Will you have remaining costs?)



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Go Blue Guarantee

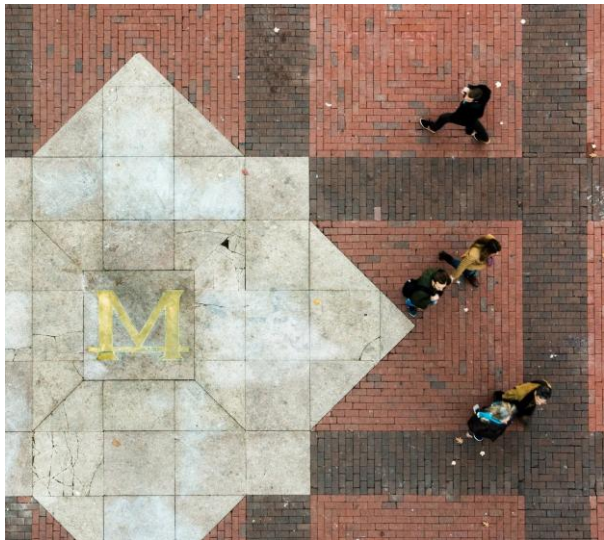


- Free U-M tuition for four years
- General eligibility:
 - Must qualify for in-state tuition and be earning first bachelor's degree
 - Family income of \$125,000 or less and assets below \$125,000
 - Must apply and be eligible for financial aid
- More information: goblueguarantee.umich.edu/ann-arbor



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Earned Money (or, Work-Study)



- Get paid for your work
- Receive paychecks
- Have flexible work schedules
- Consider on-or off-campus opportunities
- Students not awarded Work-Study with their financial aid notice may apply for other jobs on and off campus



Borrowed Money (or, Loans)

- Borrow only what is REALLY needed
- Repayment begins after graduation
- Federal Loans from the FAFSA

Federal Subsidized Direct Loans

- Student is borrower, interest does not accrue until repayment

Federal Unsubsidized Direct Loans

- Student is borrower, interest accrues day one



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Applying for Financial Aid



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Completing Your Aid Applications: Where



FAFSA: fafsa.gov

- Free application
- State, federal, and private financial aid resources



CSS Profile: cssprofile.org

- \$25 application fee
- Need-based U-M grants and scholarships

**Two Aid
Applications**



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Completing Your Aid Applications: When

2026-27 CSS Profile
2026-27 FAFSA

Due: Nov. 15

Winter Start

2026-27 FAFSA
2027-28 CSS Profile
2027-28 FAFSA

2026-27 FAFSA:

- Spring: May 10
- Summer: June 1

2027-28 apps: Mar. 1

Spring/Summer

2027-28 CSS Profile
2027-28 FAFSA

Due: Nov. 15

Early Decision

2027-28 CSS Profile
2027-28 FAFSA

Suggested: Dec. 15
Due: March 1

**Early Action &
Regular Decision**



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Completing Your Aid Applications: How

Important documents and steps

- Federal Student Aid Account (FSA ID & Password) All Contributors*
- 2025 Tax Return
 - ◆ FAFSA will automatically transfer data from the IRS
 - ◆ CSS Profile will require you to report the information yourself
- Bank/asset statements
- Child support (paid or received)
- Other untaxed income



Completing Your Aid Applications: Why



Why should you complete the FAFSA and CSS Profile?

- Gain access to multiple sources of aid
- List multiple schools on your applications
- Report information early in case you ever need to appeal due to special circumstances



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Completing Your Aid Applications: What

What should I expect?

- Information sections are broken up so that student information is reported separately from parent information.
- “As of today” language



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Completing Your Aid Applications: Who

- Each Student (Parent data can be transferred for multiple children)
- FAFSA Parent Contributor(s)
 - ◆ Both parents (biological, step-parent, adoptive) if married
 - ◆ Only one parent if single, divorced, or separated. The FAFSA form requires information from the parent(s) who **provided the most financial support** or, if that's equal, the parent with the higher income and assets.
 - ◆ If both parents live in the same house and are not married, both incomes go on FAFSA



Completing Your Aid Applications: CSS Profile Households A and B

U-M requires information from both biological parents

- If parents are **divorced/separated**, both households must report information on the aid application
- CSS Profile HHA (custodial) and HHB (noncustodial)
- An appeal process for an HHB waiver is available if one parent cannot be located or contacted, or it is unsafe to do so. See the OFA website for information.



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Dependent vs. Independent

Dependent

- Requires parental information
- Most U-M students dependent
 - ◆ Does not consider student tax filing status.
 - ◆ Does not consider parent unwillingness to contribute.

Independent

- No parental information reported
- Who is independent? (partial list)
 - ◆ Married
 - ◆ 24 years old or older
 - ◆ Orphan, foster youth, ward of the court/state, legal guardianship
 - ◆ Responsible for dependents
 - ◆ Homeless or at risk of homelessness
 - ◆ Veteran or active duty



Avoid Errors

Frequent Aid Application Errors:

- Incorrect U-M school code (be sure to select the UM-Ann Arbor school code: **002325** on the FAFSA and **1839** on the CSS Profile)
- Social Security numbers
- Divorced/remarried parental information
- Student/parent income
- Real estate & investment net worth
- Work-Study preferences



Your Aid: Next Steps

1. Confirm all aid application information is correct and make necessary corrections
2. Complete institutional forms
 - CSS Profile (if not already completed)
 - Scholarship applications
 - Additional documentation, if requested by the aid office (federal tax transcripts, W-2s)
3. Aid offers will be sent within a few weeks of admission if you submitted aid applications by their deadline
 - Official vs. Estimate Offer: Estimated notices are based on initial calculated need and not binding



Your Aid: Special Circumstances

- Send explanation to **each** financial aid office
 - Ex: change in employment, death, marital status, one-time significant benefit, large out-of-pocket medical expenses, etc.
- Be prepared to provide supporting documentation of circumstances.
- All special circumstances will be reviewed within three weeks of submission, and a FINAL decision will be made*

Note: If you have an unusual circumstance where parental data cannot be provided on the FAFSA, contact the Office of Financial Aid about your options.

*Appeal decisions are final and cannot be appealed to the U.S. Department of Education.



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Tips for Students and Families



- Consider payment plans
- Know before you Go Blue!
- Satisfactory Academic Progress
- Apply for scholarships every year
- Meet all deadlines
 - Check and respond to your email
 - Check and respond promptly to requests
- Problems/issues
 - Talk to the experts on campus



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Thank You!



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Outreach Unit

ofa-outreach@umich.edu



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