Financial Aid 101

PRESENTED BY:

KATIE SPRUNGER

EDGEWOOD UNIVERSITY

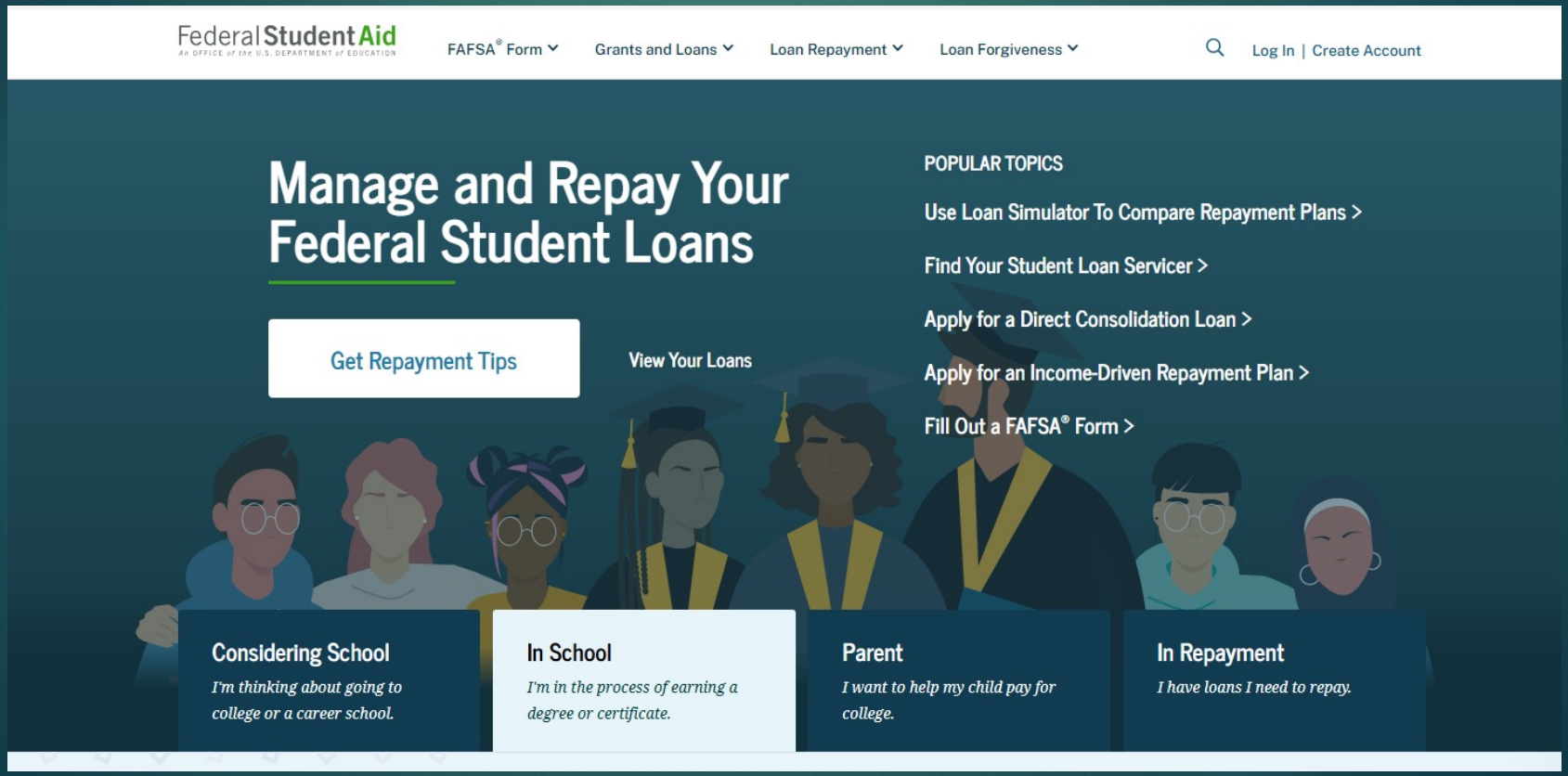
Financing A College Education

- A successful experience requires a collaborative effort by:
  - Student
  - Parent
  - Institution
  - Government



Where do I start…

- www.studentaid.gov



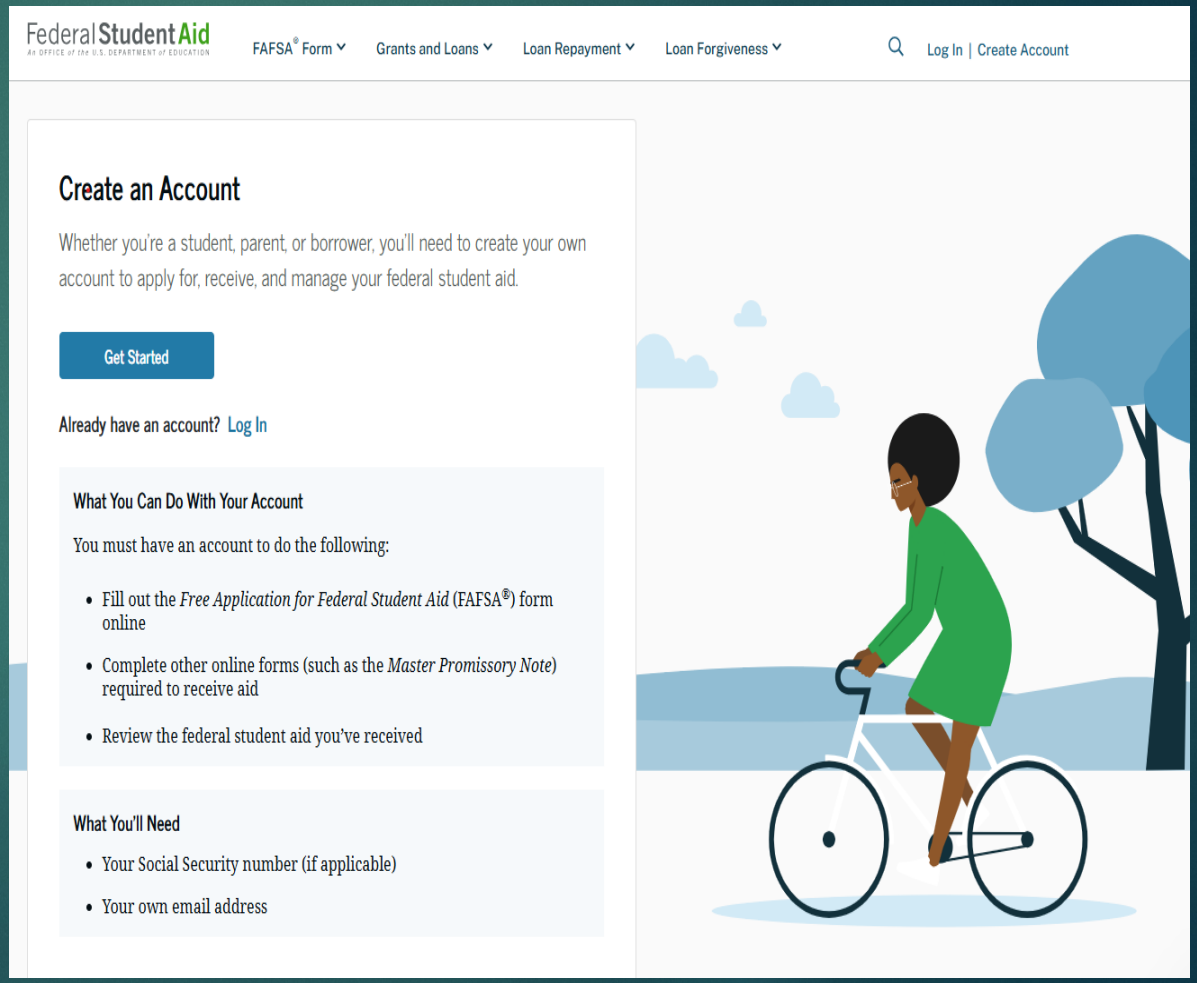
Create Your FSA ID www.studentaid.gov

Email:

- Each FSA ID must have a unique email address (you and your parent cannot use the same email address).
- You must have access to this email account.

Username:

- Don't include personal info such as date of birth or name.
- If you see a message "Username taken, create a different username," then someone has already used that username.



Before FAFSA filing…. FSA ID tips

FSA ID = electronic signature for student and parent

- Separate email and mobile phone required

Create at least 1 week prior to FAFSA filing.

Write down usernames, passwords, security question answers.

Will need access to email and/or mobile phone during this process.

When is FAFSA Available?

Complete your Free Application for Federal Student Aid (**FAFSA**), so the Department of Education can determine your Student Aid Index (**SAI**).

www.studentaid.gov

October 1, 2026

What is the SAI?

Federal Methodology:

- A formula created by Congress to determine your Student Aid Index(SAI)
  - The same formula applies to all applicants.
  - Measures your ability, not willingness to pay.
  - SAI components:
    - Parent Income and Assets
    - Student Income and Assets
- **Things not considered: value of primary residence, consumer debt, or retirement accounts, the net worth of family-owned businesses with 100 or fewer employees, family farms**

What is Financial Need?

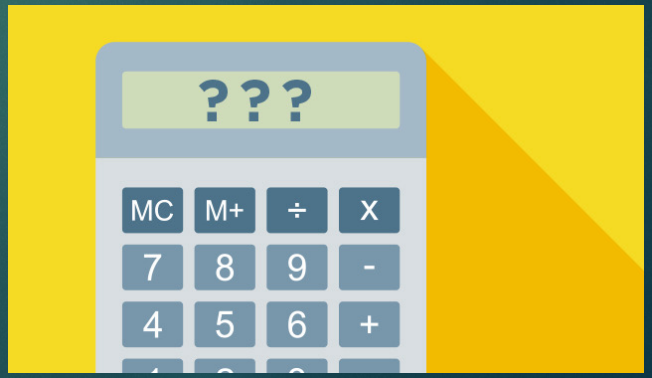
Cost of Attendance (COA) = **A**

- Tuition, Fees, Room, Board, Transportation, and Misc.

Student Aid Index(SAI)from FAFSA = **B**

- Income, Assets, Number in Family

A – B = (C) Your Financial Need



Your need depends on the cost!

	UW System	Voc Tech	Private
COA	$39,000	$29,000	$49,000
SAI	$5,000	$5,000	$5,000
NEED	**$34,000**	**$24,000**	**$44,000**

3 Types of Federal Student Aid

1



Free money.

Grants are usually based on financial need and don't have to be repaid.

2



Borrowed money.

Loans are an investment in your future. But remember, they must be repaid with interest.

3



Earned money.

A **work-study** job lets you earn money while you're in school.

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of the AMERICAN MIND®

Learn more at StudentAid.gov/types. Apply at www.fafsa.gov.

Scholarships

- Academic
- Creative Talent
- Athletic Talent
- Ethnicity/Religion



Need-Based Grants

Federal Government

- Pell
- SEOG
- TEACH Grant

State Government

- Wisconsin Grant

Institutional

- Varies by institution



Loans

Federal Direct Loan (26-27 UG rates)

- Subsidized and Unsubsidized 6.52%
- $3,500 Subsidized
- $2,000 Unsubsidized

PLUS: Parent Loan for Undergraduate Students

- 8.94%

Alternative Loans (vary)

Institutional (vary)



Financial Aid Limitations

Federal Pell Grant

- 6 years at full time status

Wisconsin Grant

- 10 semesters

Usage is cumulative throughout college career.

Other programs may also have additional limitations – check with the aid office for further details.

Student Employment

Part-time employment

- On campus
- Designated off-campus locations



Questions to ask

- When are jobs available?
- How does a student secure a job?
- Does the student get paid directly or is it applied to their account?

Be prepared to complete new hire paperwork

- I9, WT4, W4
- Bring 2 original forms of identification



Eligibility for Financial Aid

- Don't eliminate yourself! Remember it's

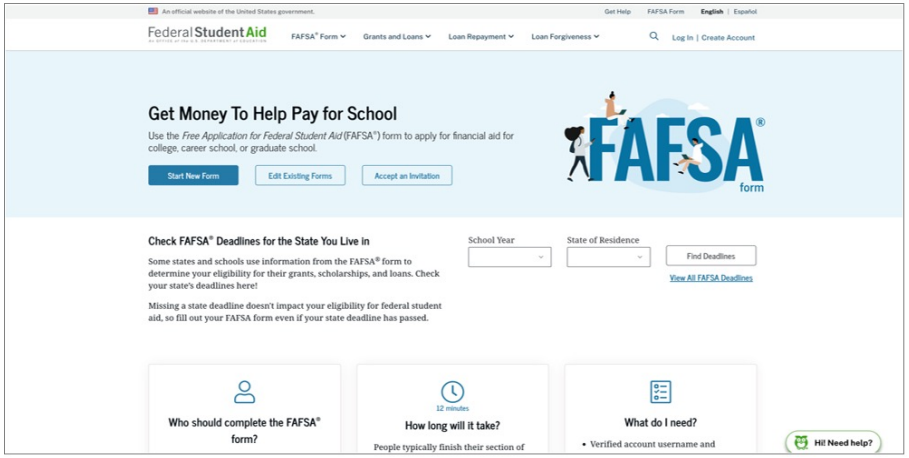


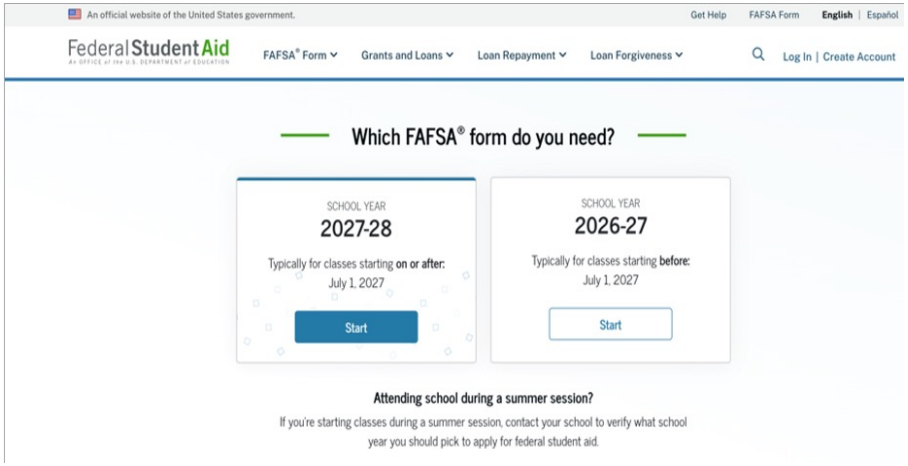
- There is no income cutoff for financial aid.
- Complete admission process.
- Contact the Aid Office if financial circumstances change.



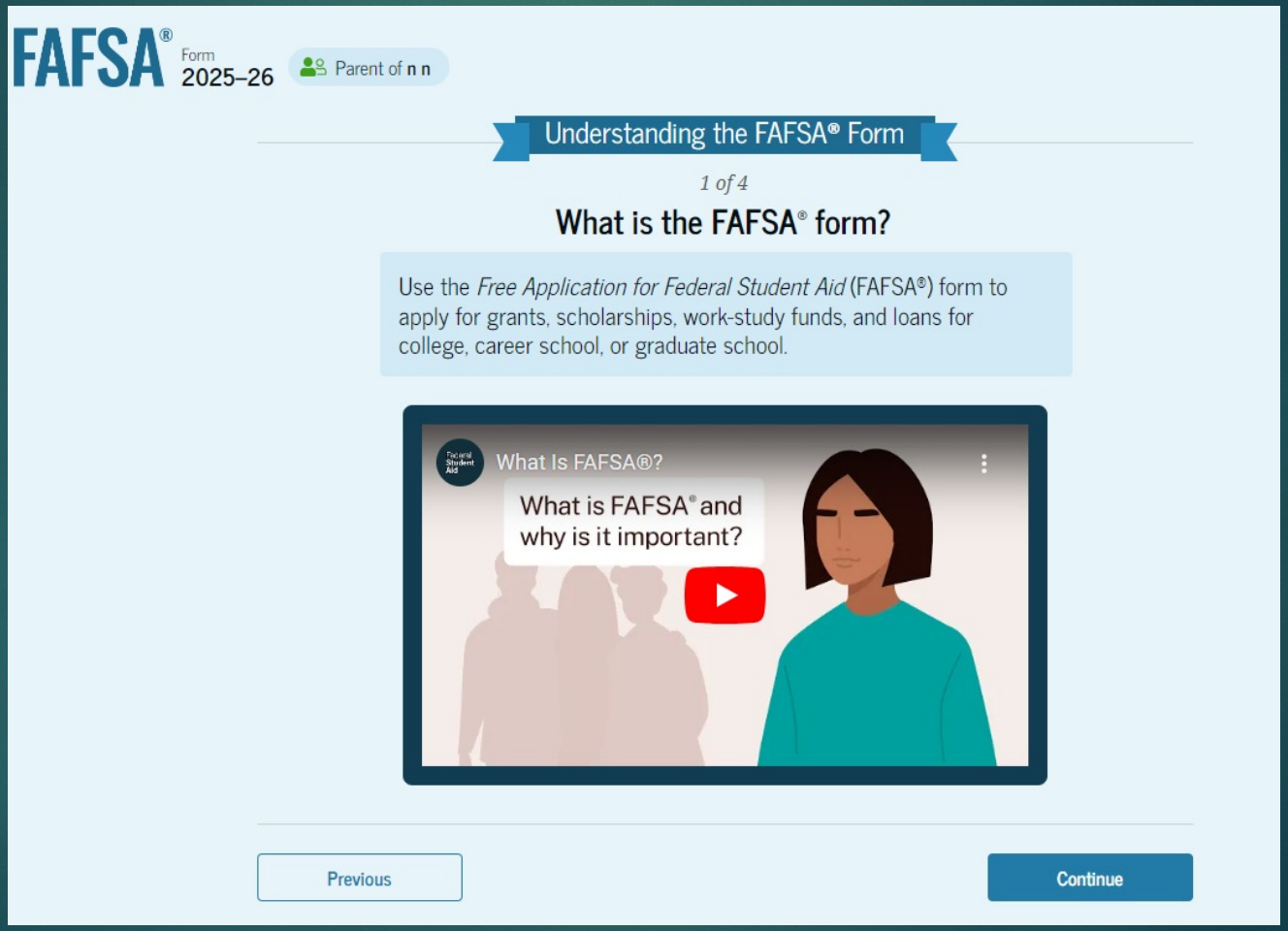
Let's get started...

- Studentaid.gov
  - Start New Form
  - Edit Existing Forms
  - Accept an Invitation

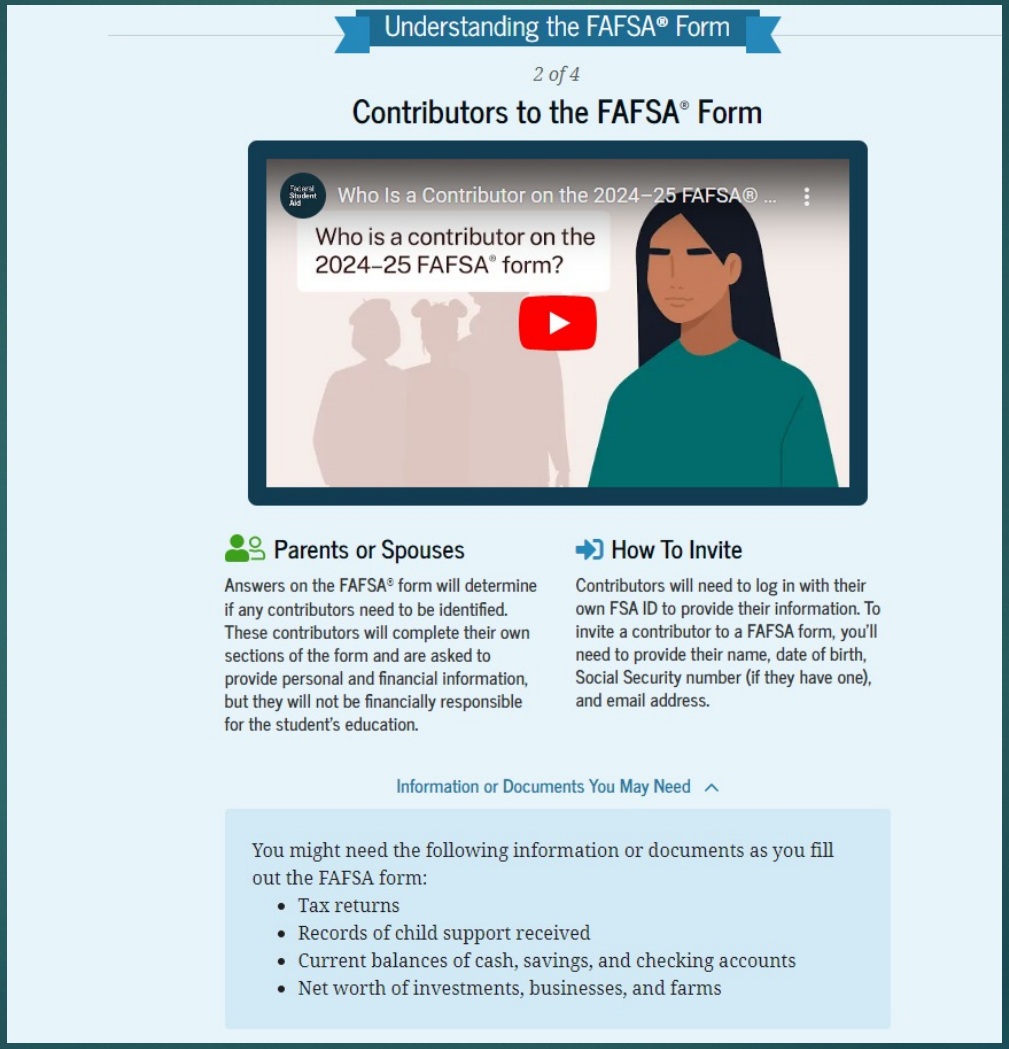




FAFSA Overview



FAFSA Contributors



Understanding the FAFSA® Form

2 of 4

Contributors to the FAFSA® Form

Parents or Spouses

Answers on the FAFSA® form will determine if any contributors need to be identified. These contributors will complete their own sections of the form and are asked to provide personal and financial information, but they will not be financially responsible for the student's education.

How To Invite

Contributors will need to log in with their own FSA ID to provide their information. To invite a contributor to a FAFSA form, you'll need to provide their name, date of birth, Social Security number (if they have one), and email address.

Information or Documents You May Need

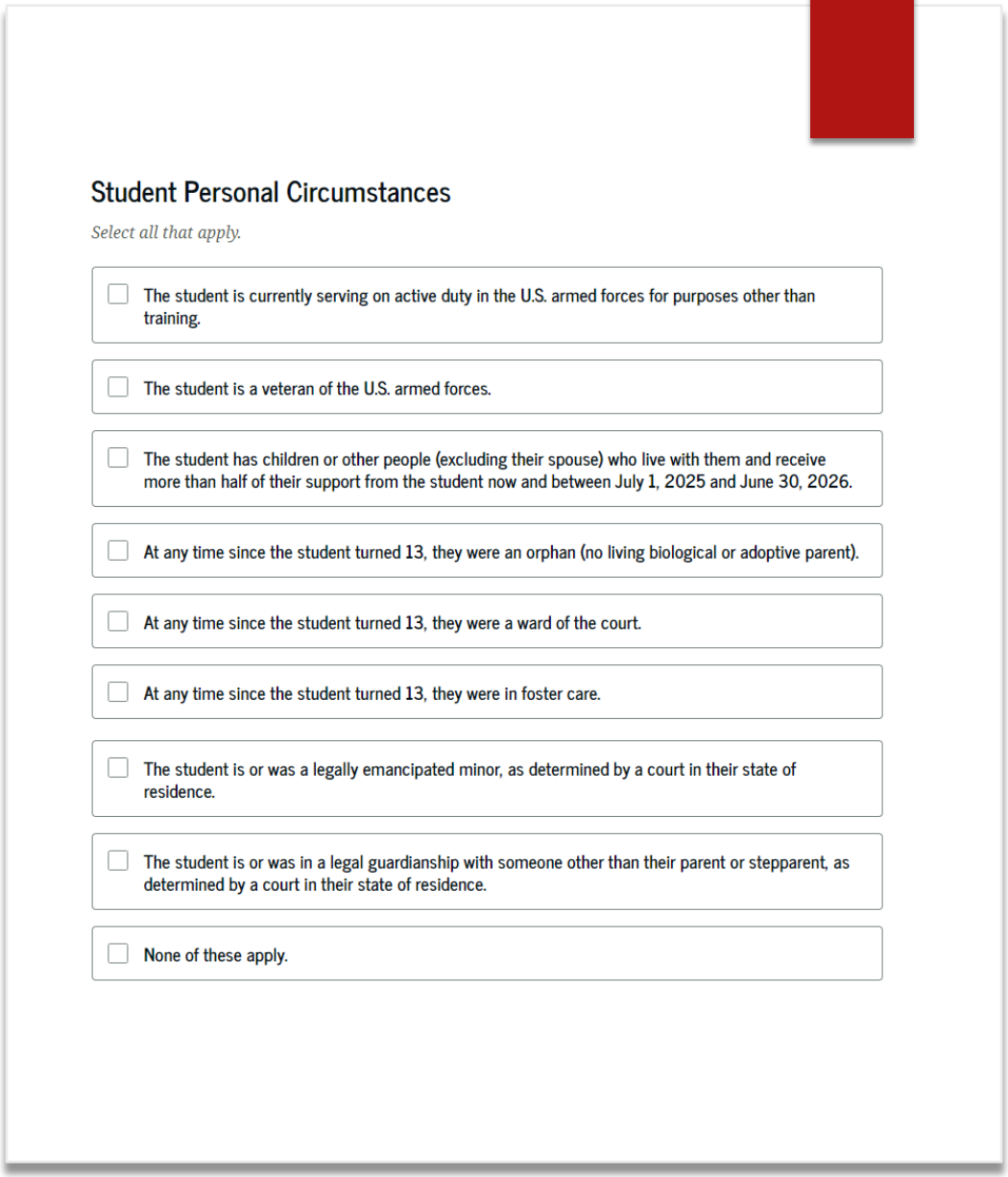
You might need the following information or documents as you fill out the FAFSA form:

- Tax returns
- Records of child support received
- Current balances of cash, savings, and checking accounts
- Net worth of investments, businesses, and farms

Student Status

▶If student answers "NO" to all questions, then at least one parent's information and signature is required.

▶If student answers "Yes" to any question, then student is Independent only their income and assets will be considered.

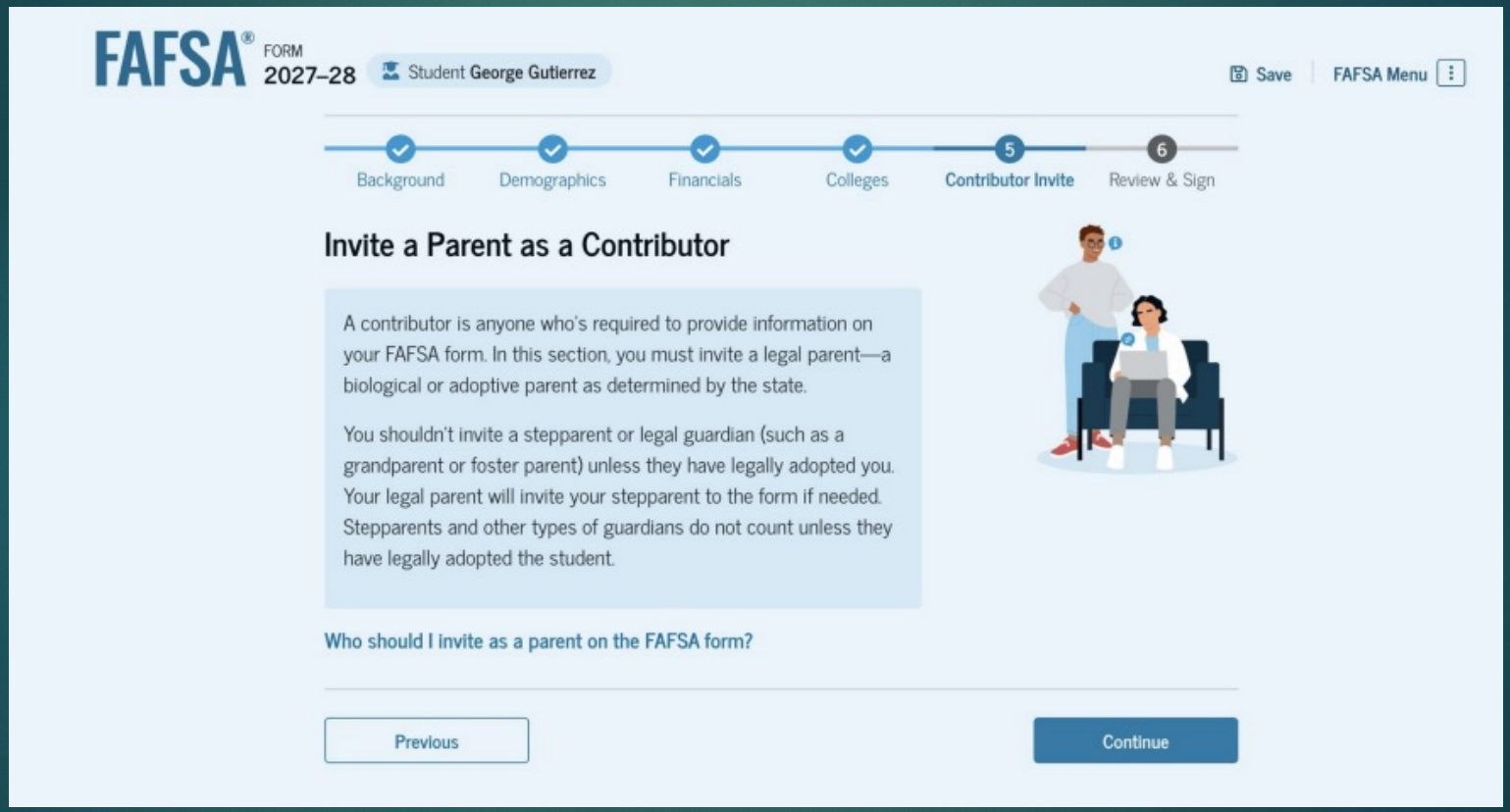


Student Personal Circumstances

Select all that apply.

- ☐ The student is currently serving on active duty in the U.S. armed forces for purposes other than training.
- ☐ The student is a veteran of the U.S. armed forces.
- ☐ The student has children or other people (excluding their spouse) who live with them and receive more than half of their support from the student now and between July 1, 2025 and June 30, 2026.
- ☐ At any time since the student turned 13, they were an orphan (no living biological or adoptive parent).
- ☐ At any time since the student turned 13, they were a ward of the court.
- ☐ At any time since the student turned 13, they were in foster care.
- ☐ The student is or was a legally emancipated minor, as determined by a court in their state of residence.
- ☐ The student is or was in a legal guardianship with someone other than their parent or stepparent, as determined by a court in their state of residence.
- ☐ None of these apply.

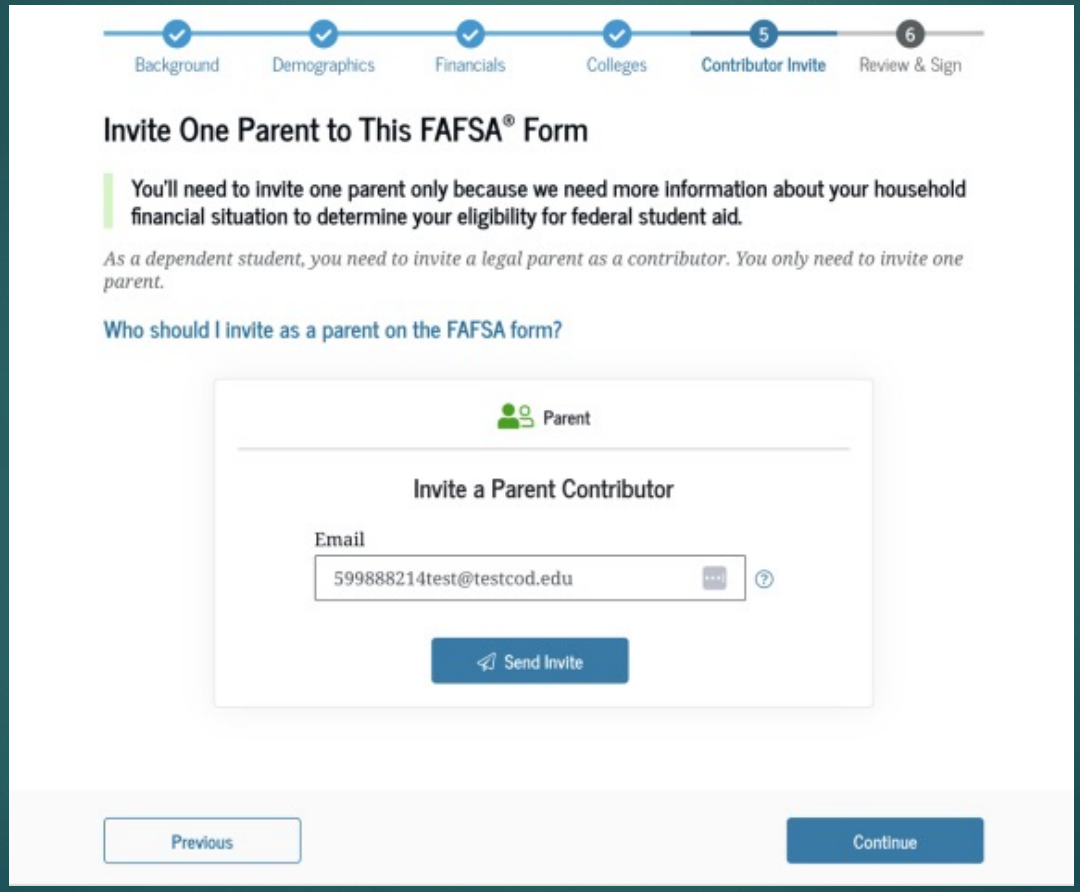
Student Invites Parents to FAFSA



Which parent's information must be included on the FAFSA?

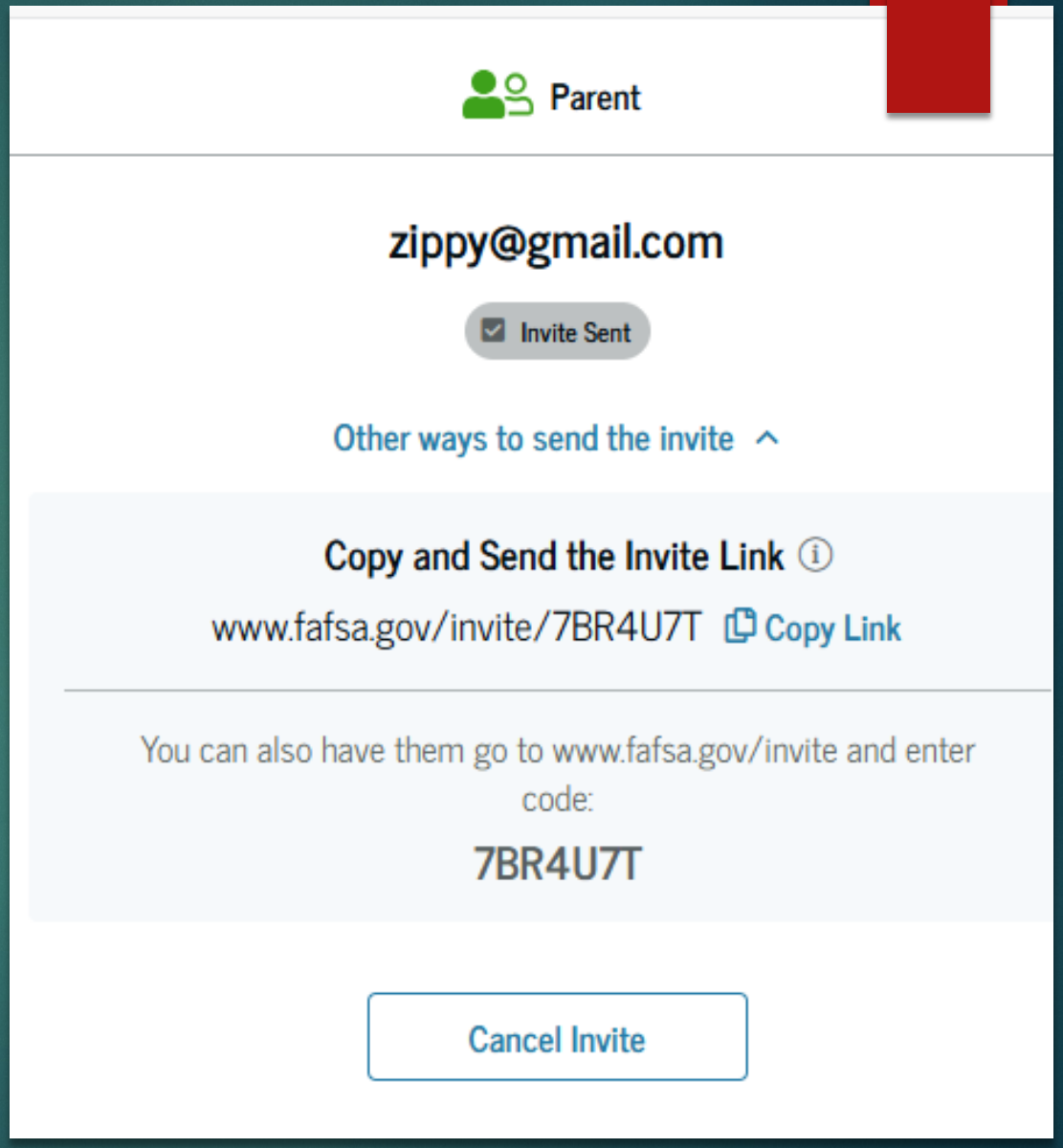
- Parents are married – **Both parents**
- Parents are divorced (not remarried) - **Only parent who provides most support**
- Parents are divorced (remarried) - **Parent and step parent who provides most support**
- Parents were never married (don't live together) – **Only parent who provides most support**
- Parents are not married (DO live together) – **Both parents**

Invite Parent Contributor…



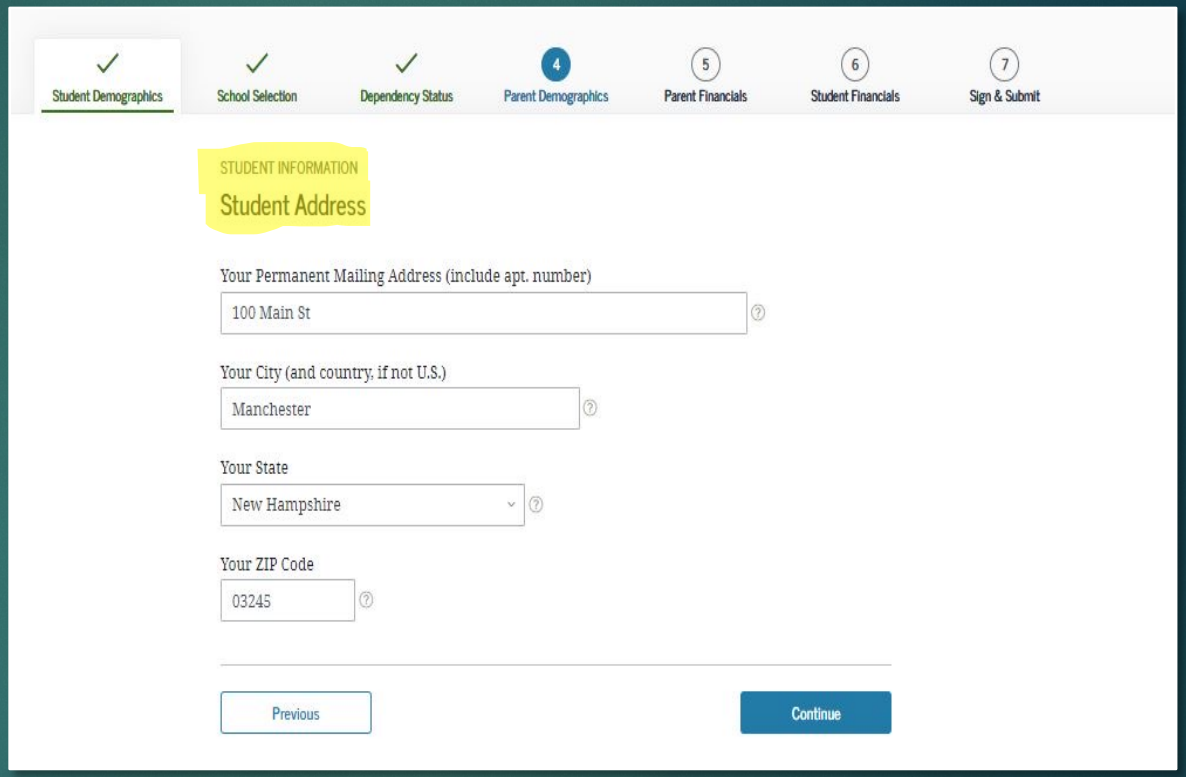
Parents don't have email?

- Click on other ways to send the invite.

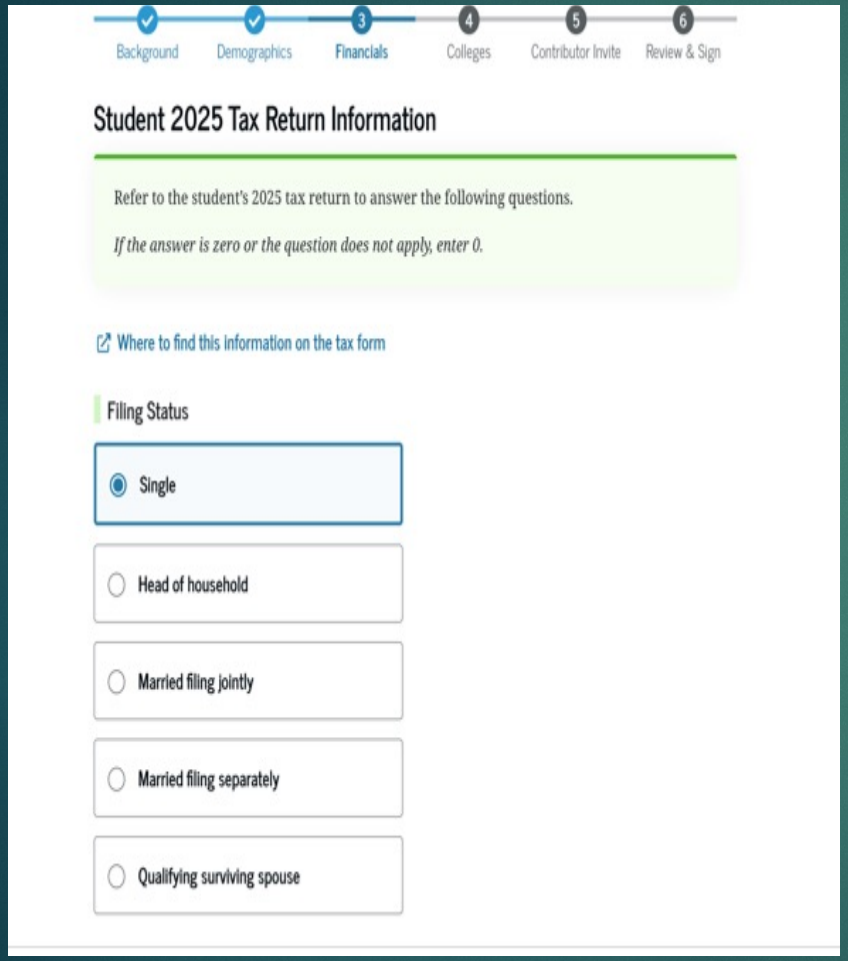


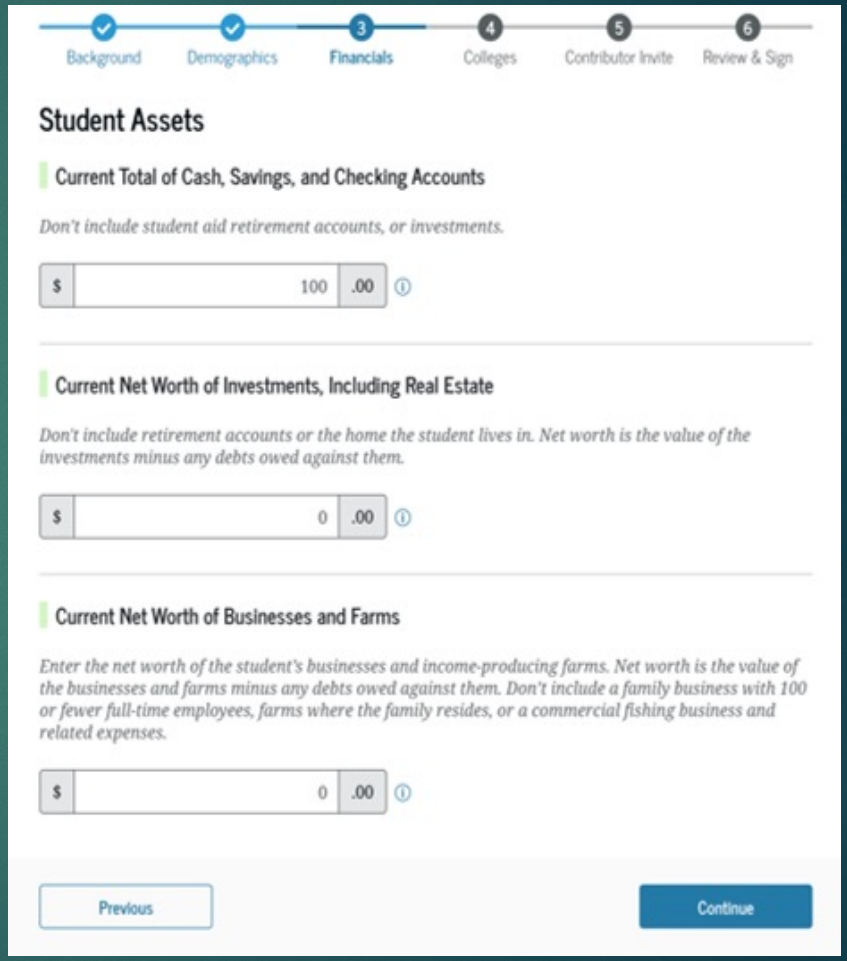
Student Information

- Student's Name
- Date of Birth
- Citizenship Status
- Marital Status
- Email Address



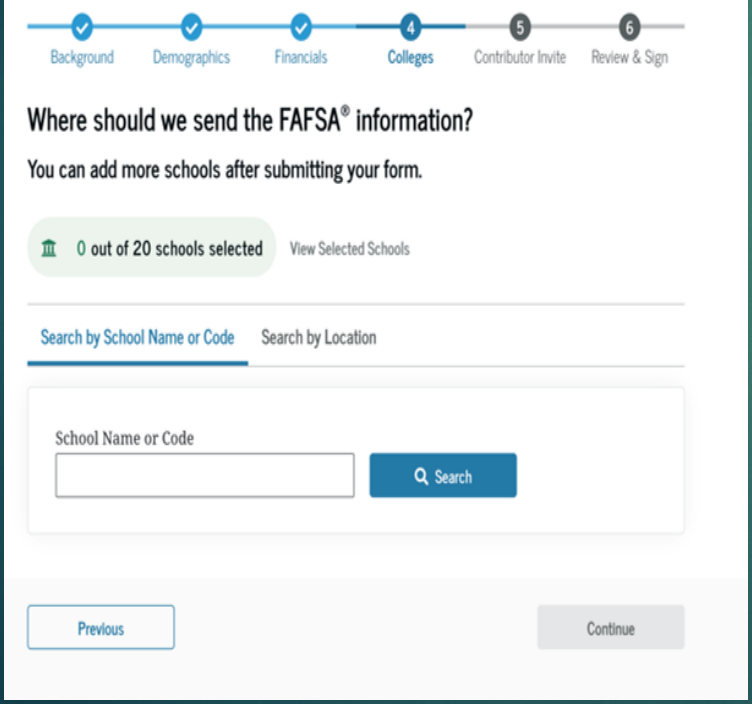
Student Financials

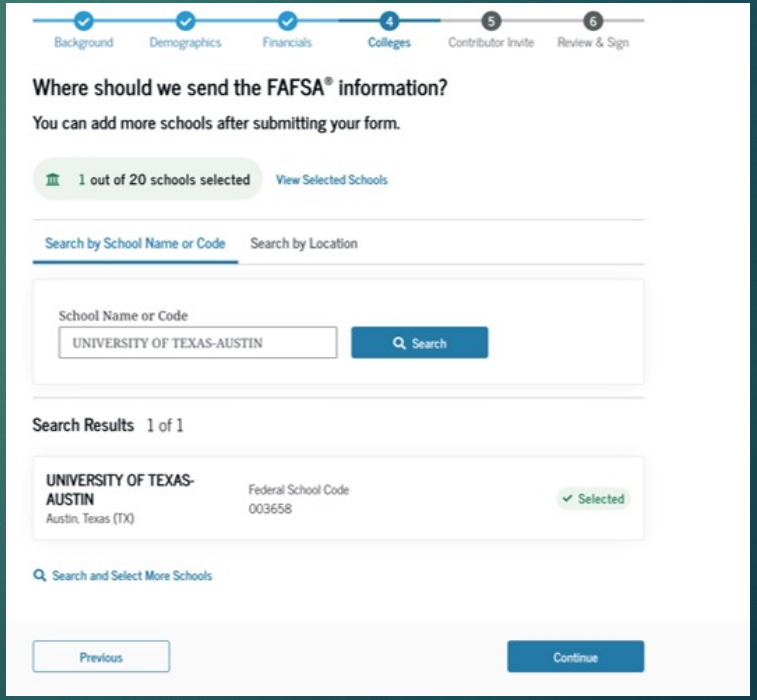




Select Colleges

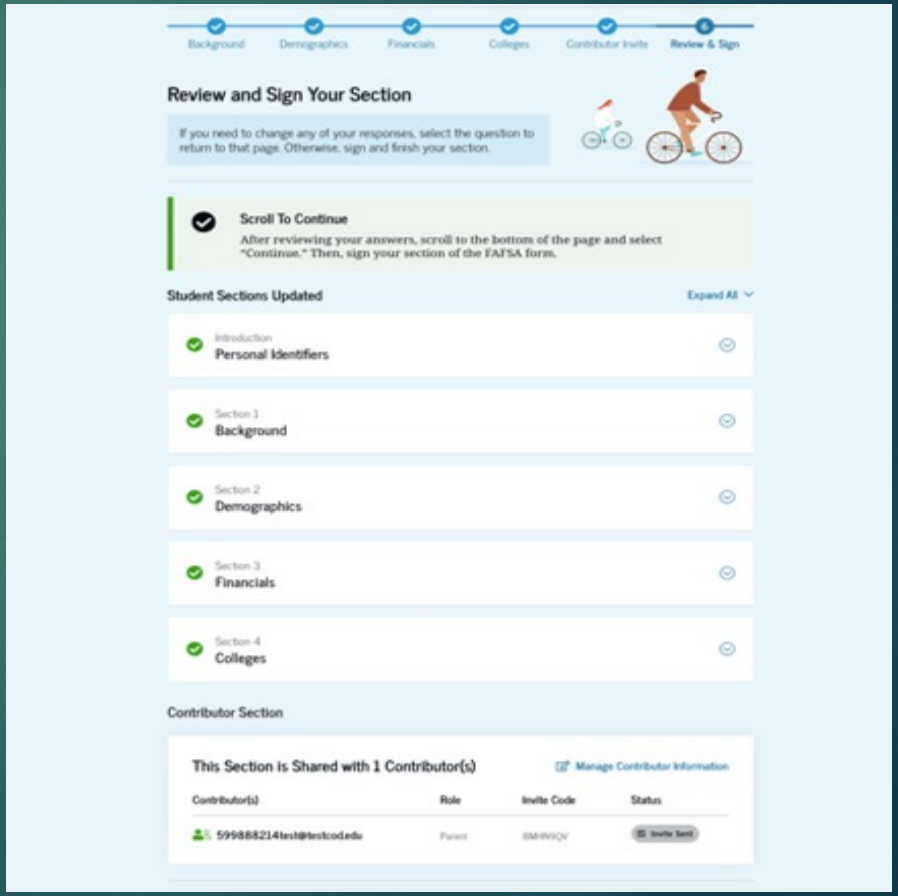
- Select up to 20 schools



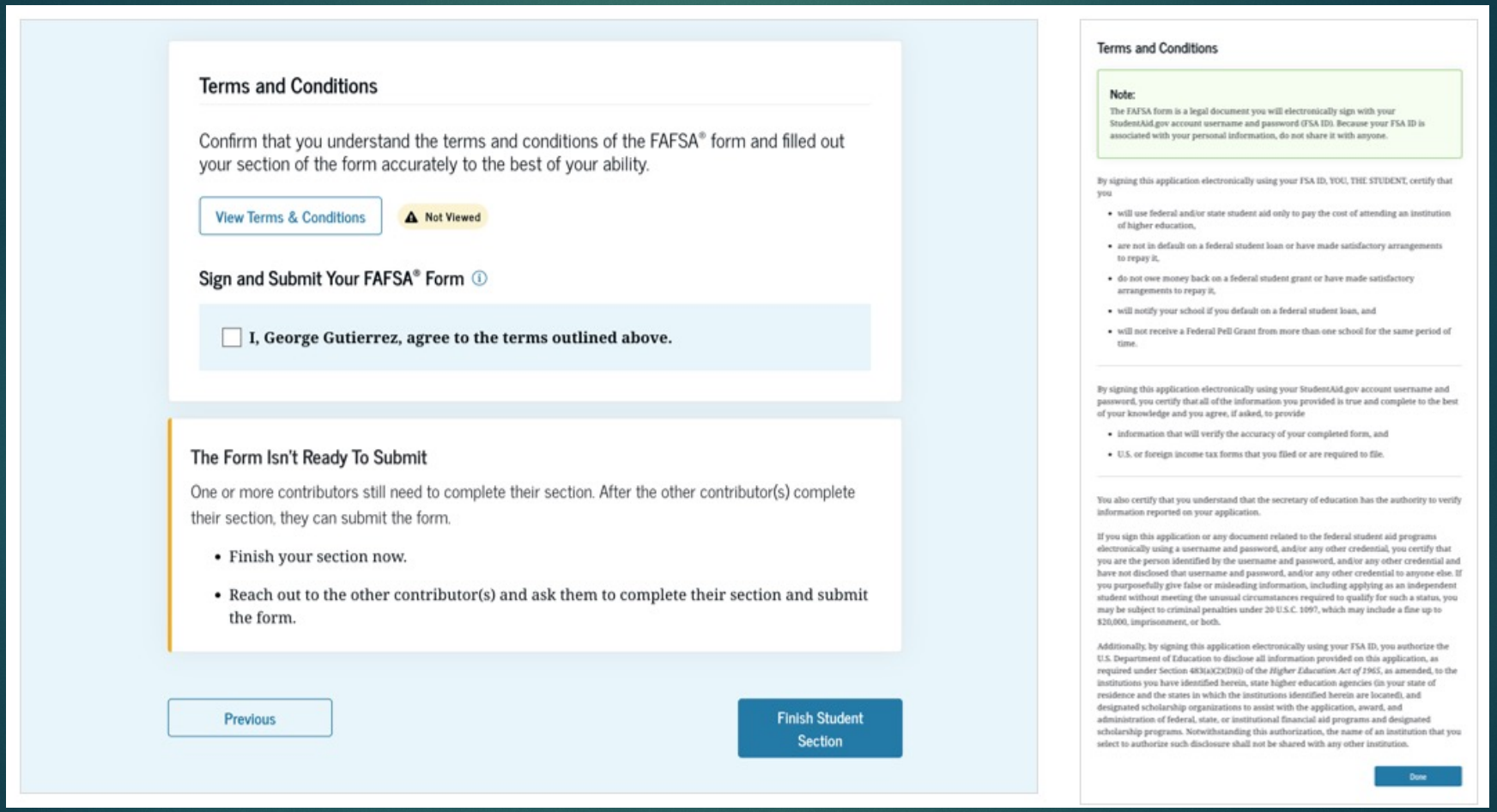


Student Section Complete!

- Review of information



Almost done…



Terms and Conditions

Confirm that you understand the terms and conditions of the FAFSA® form and filled out your section of the form accurately to the best of your ability.

View Terms & Conditions

Not Viewed

Sign and Submit Your FAFSA® Form

I, George Gutierrez, agree to the terms outlined above.

The Form Isn't Ready To Submit

One or more contributors still need to complete their section. After the other contributor(s) complete their section, they can submit the form.

- Finish your section now.
- Reach out to the other contributor(s) and ask them to complete their section and submit the form.

Previous

Finish Student Section

Terms and Conditions

Note:

The FAFSA form is a legal document you will electronically sign with your StudentAid.gov account username and password (FSA ID). Because your FSA ID is associated with your personal information, do not share it with anyone.

By signing this application electronically using your FSA ID, YOU, THE STUDENT, certify that you

- will use federal and/or state student aid only to pay the cost of attending an institution of higher education,
- are not in default on a federal student loan or have made satisfactory arrangements to repay it,
- do not owe money back on a federal student grant or have made satisfactory arrangements to repay it,
- will notify your school if you default on a federal student loan, and
- will not receive a Federal Pell Grant from more than one school for the same period of time.

By signing this application electronically using your StudentAid.gov account username and password, you certify that all of the information you provided is true and complete to the best of your knowledge and you agree, if asked, to provide

- information that will verify the accuracy of your completed form, and
- U.S. or foreign income tax forms that you filed or are required to file.

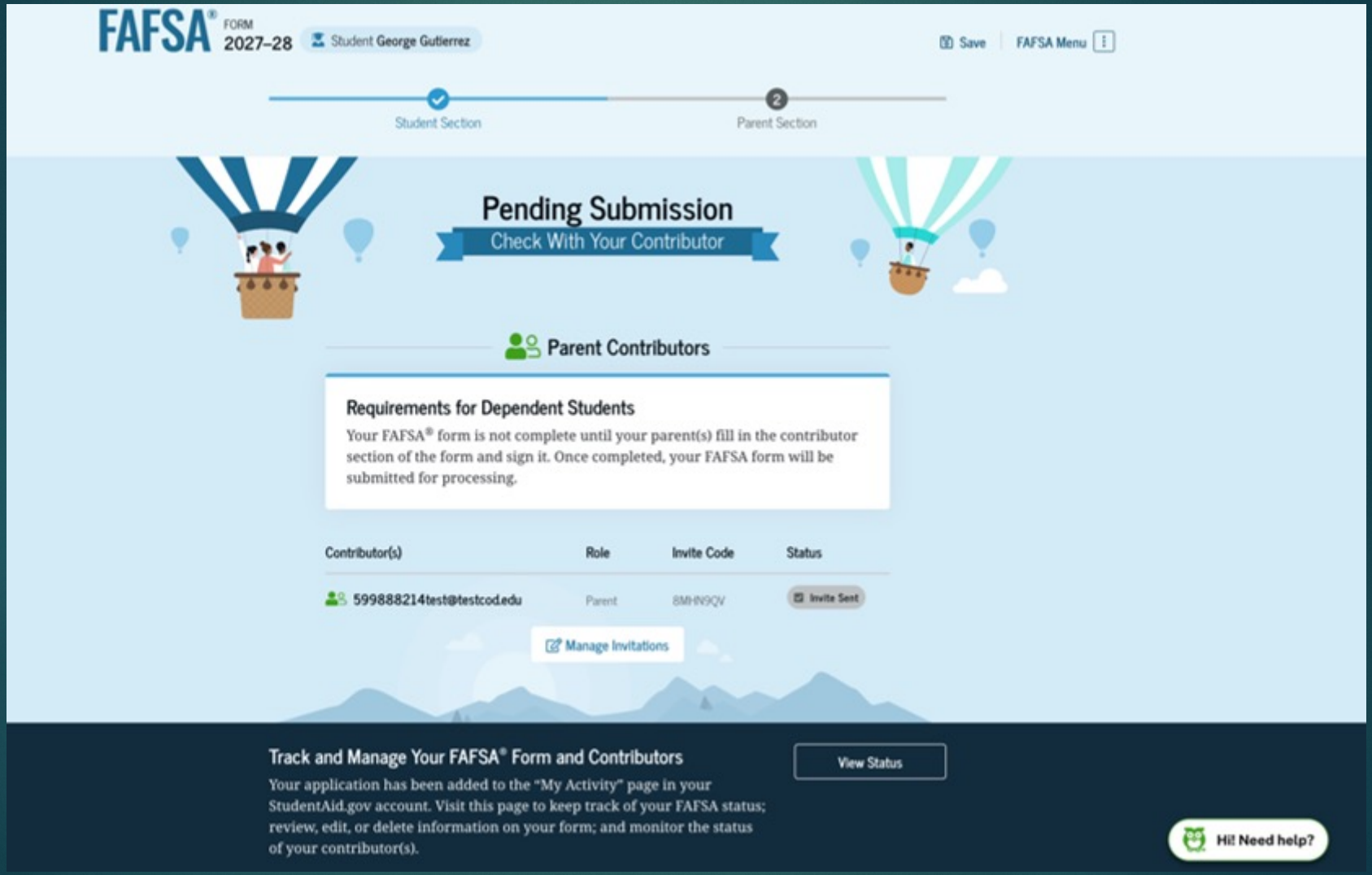
You also certify that you understand that the secretary of education has the authority to verify information reported on your application.

If you sign this application or any document related to the federal student aid programs electronically using a username and password, and/or any other credential, you certify that you are the person identified by the username and password, and/or any other credential and have not disclosed that username and password, and/or any other credential to anyone else. If you purposefully give false or misleading information, including applying as an independent student without meeting the unusual circumstances required to qualify for such a status, you may be subject to criminal penalties under 20 U.S.C. 1097, which may include a fine up to $20,000, imprisonment, or both.

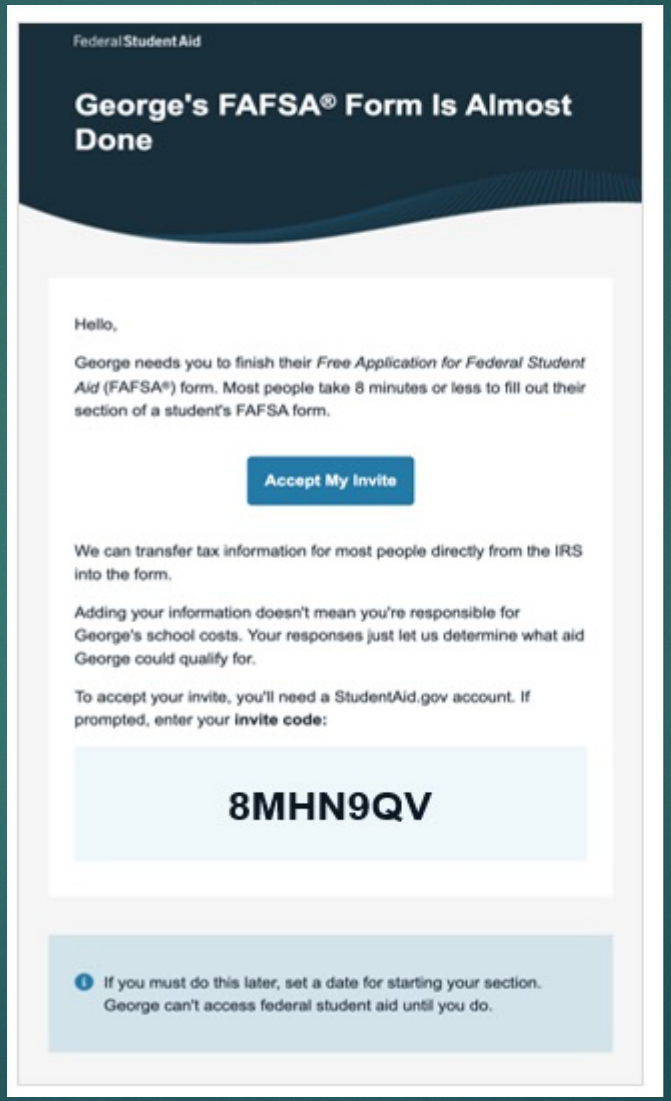
Additionally, by signing this application electronically using your FSA ID, you authorize the U.S. Department of Education to disclose all information provided on this application, as required under Section 483(a)(2)(D)(i) of the *Higher Education Act of 1965*, as amended, to the institutions you have identified herein, state higher education agencies (in your state of residence and the states in which the institutions identified herein are located), and designated scholarship organizations to assist with the application, award, and administration of federal, state, or institutional financial aid programs and designated scholarship programs. Notwithstanding this authorization, the name of an institution that you select to authorize such disclosure shall not be shared with any other institution.

Done

Parent Section…



Parent email invitation sample



Federal Student Aid

George's FAFSA® Form Is Almost Done

Hello,

George needs you to finish their *Free Application for Federal Student Aid* (FAFSA®) form. Most people take 8 minutes or less to fill out their section of a student's FAFSA form.

Accept My Invite

We can transfer tax information for most people directly from the IRS into the form.

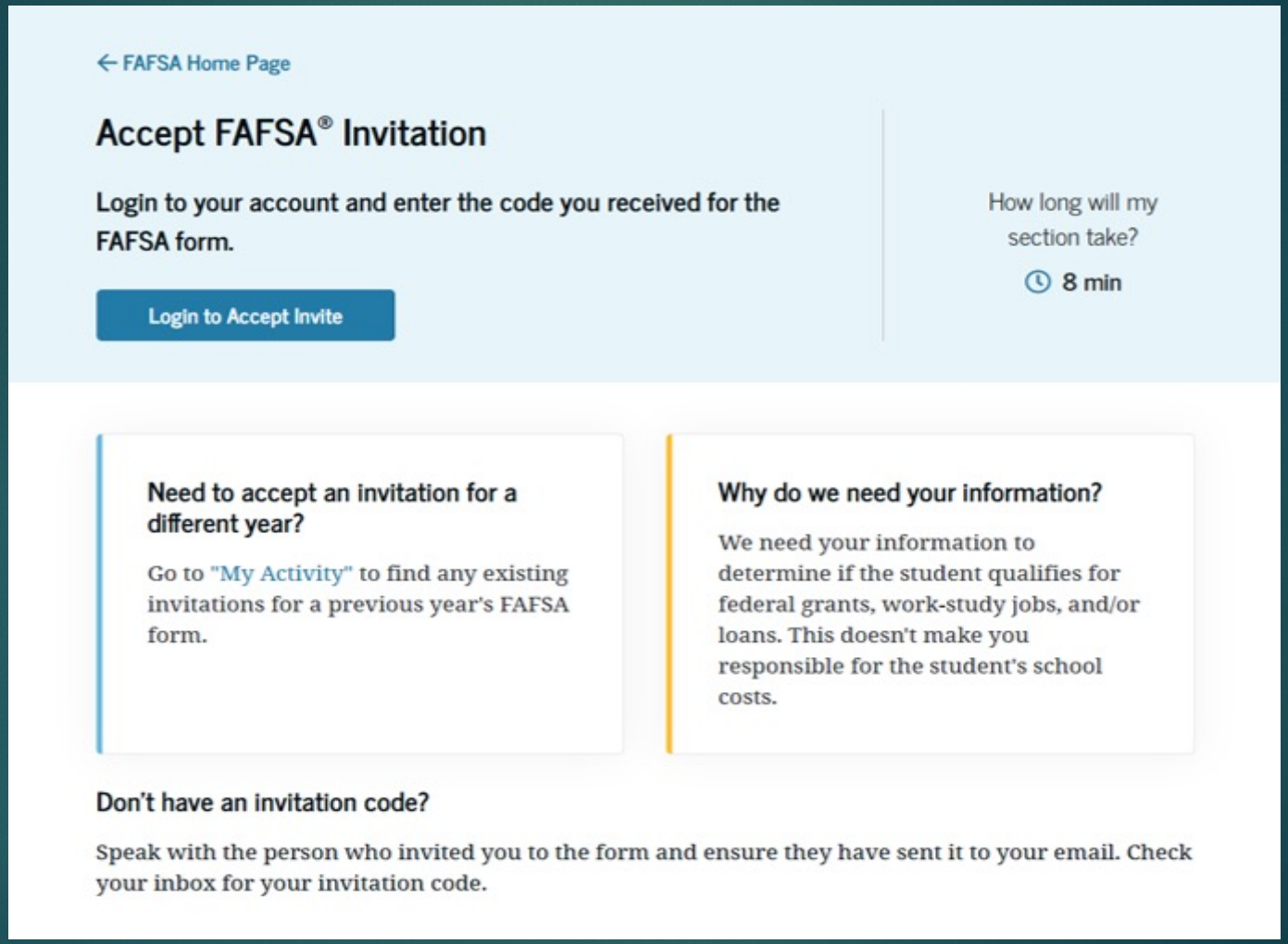
Adding your information doesn't mean you're responsible for George's school costs. Your responses just let us determine what aid George could qualify for.

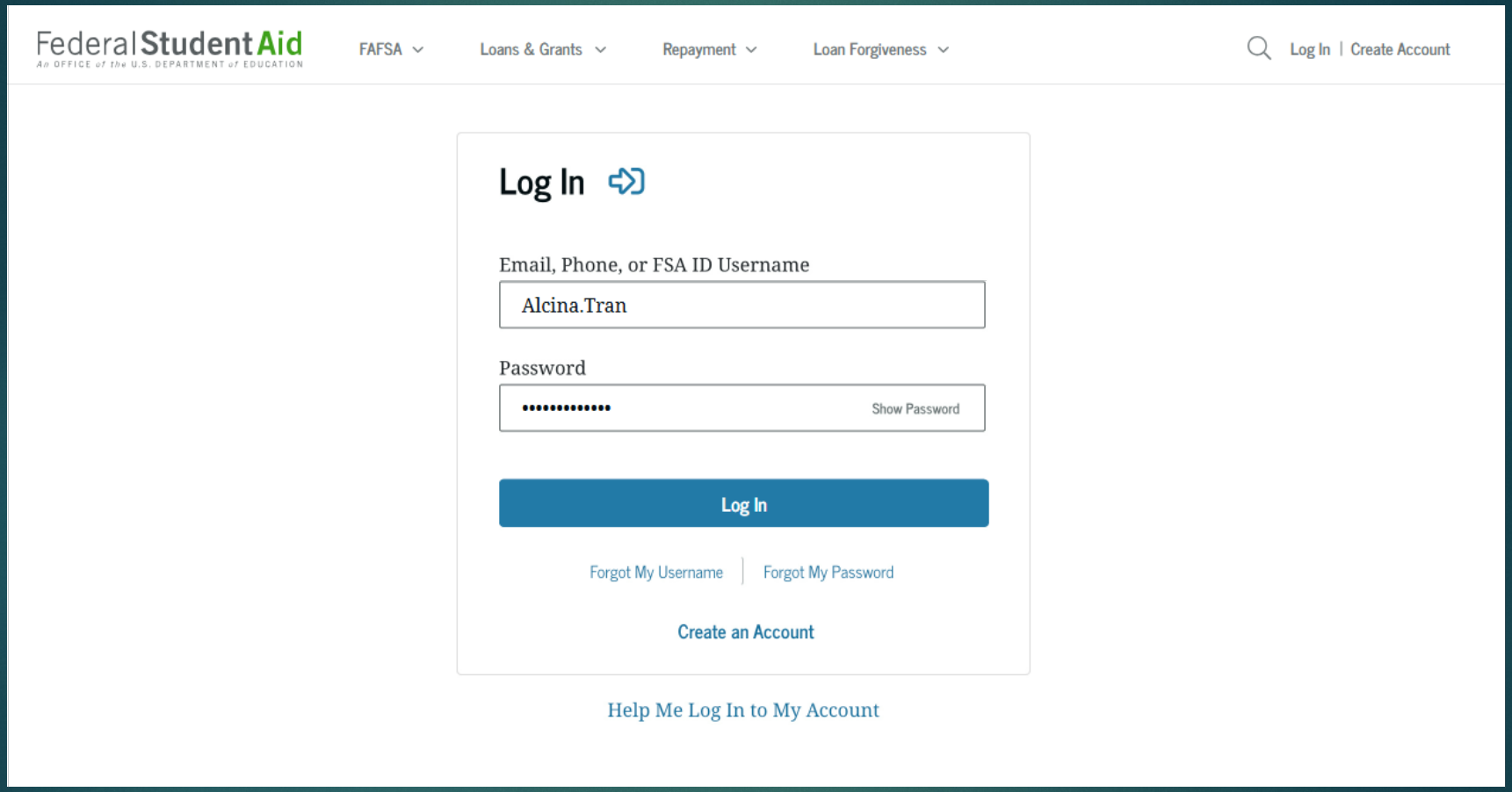
To accept your invite, you'll need a StudentAid.gov account. If prompted, enter your **invite code:**

8MHN9QV

If you must do this later, set a date for starting your section. George can't access federal student aid until you do.

Accept Invitation




Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
FAFSA
Loans & Grants
Repayment
Loan Forgiveness
Log In | Create Account
Log In
Email, Phone, or FSA ID Username
Alcina.Tran
Password
Show Password
Log In
Forgot My Username
Forgot My Password
Create an Account
Help Me Log In to My Account

FAFSA® FORM 2024–25

Parent of Raya Tran

Understanding the FAFSA® Form

1 of 4

What is the FAFSA® form?

Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for grants, scholarships, work-study funds, and loans for college or graduate school.

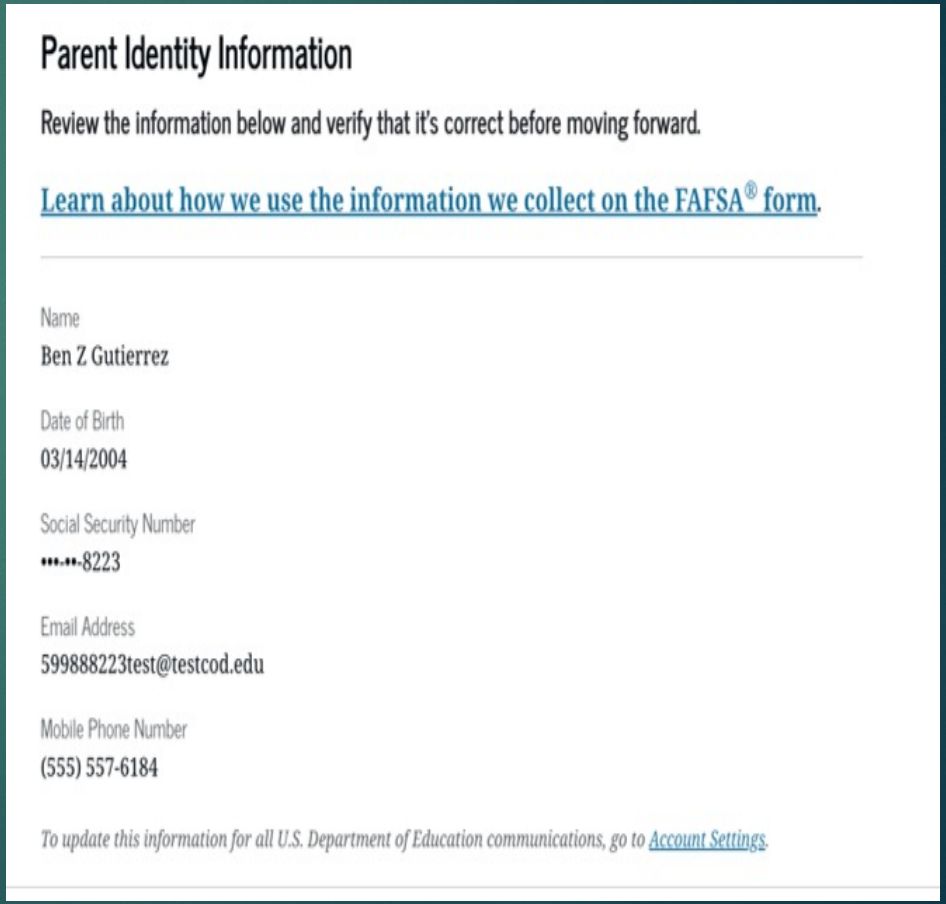


Previous

Continue

Parent Information

- Identity and contact information
- Consent for FTI (Federal Tax Information) transfer from IRS
- Marital status
- State of legal residence
- Assets



Parent Identity Information

Review the information below and verify that it's correct before moving forward.

Learn about how we use the information we collect on the FAFSA® form.

Name
Ben Z Gutierrez

Date of Birth
03/14/2004

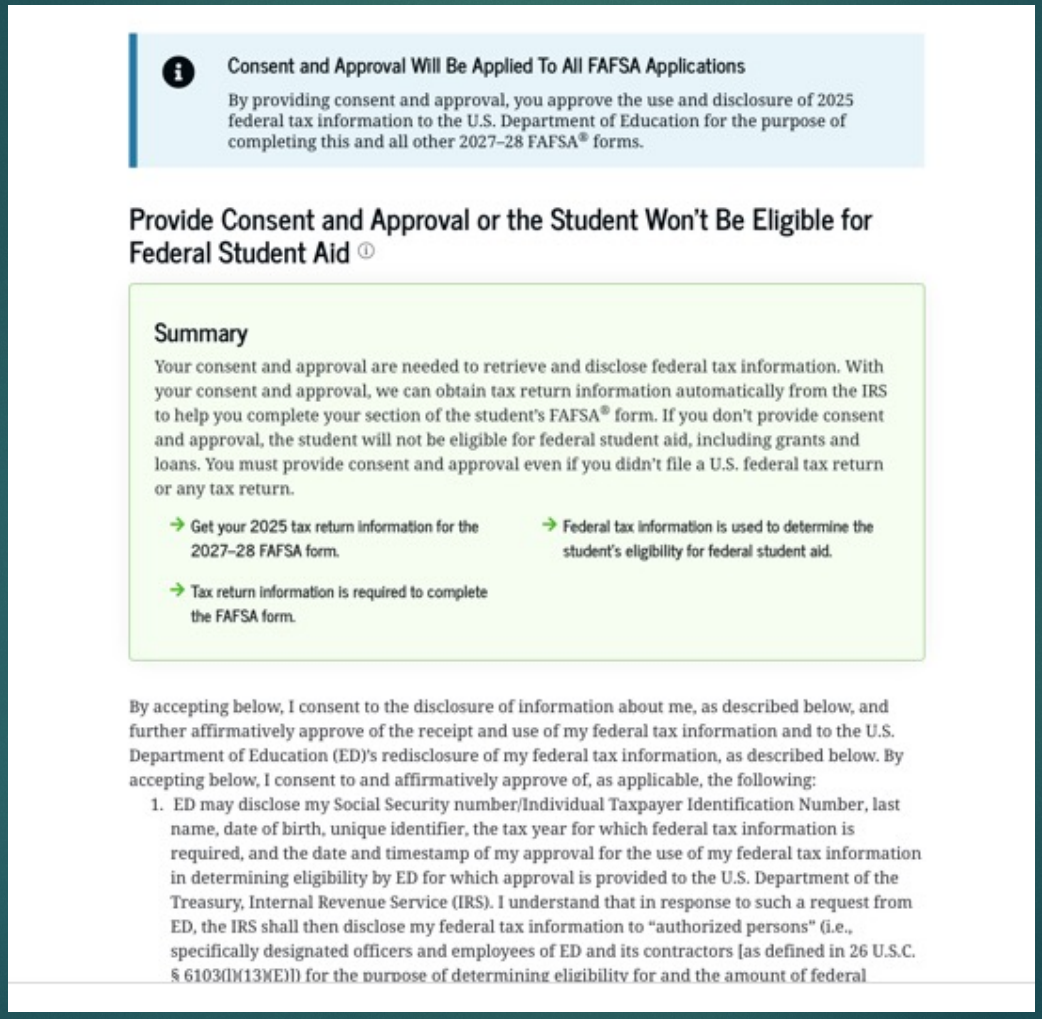
Social Security Number
•••-••-8223

Email Address
599888223test@testcod.edu

Mobile Phone Number
(555) 557-6184

To update this information for all U.S. Department of Education communications, go to Account Settings.

Provide Consent



Consent and Approval Will Be Applied To All FAFSA Applications

By providing consent and approval, you approve the use and disclosure of 2025 federal tax information to the U.S. Department of Education for the purpose of completing this and all other 2027–28 FAFSA® forms.

Provide Consent and Approval or the Student Won't Be Eligible for Federal Student Aid

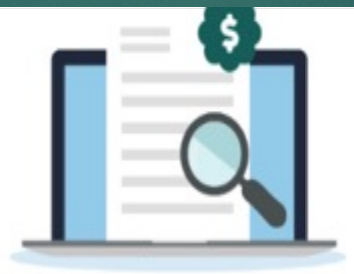
Summary

Your consent and approval are needed to retrieve and disclose federal tax information. With your consent and approval, we can obtain tax return information automatically from the IRS to help you complete your section of the student's FAFSA® form. If you don't provide consent and approval, the student will not be eligible for federal student aid, including grants and loans. You must provide consent and approval even if you didn't file a U.S. federal tax return or any tax return.

- Get your 2025 tax return information for the 2027–28 FAFSA form.
- Federal tax information is used to determine the student's eligibility for federal student aid.
- Tax return information is required to complete the FAFSA form.

By accepting below, I consent to the disclosure of information about me, as described below, and further affirmatively approve of the receipt and use of my federal tax information and to the U.S. Department of Education (ED)'s redisclosure of my federal tax information, as described below. By accepting below, I consent to and affirmatively approve of, as applicable, the following:

1. ED may disclose my Social Security number/Individual Taxpayer Identification Number, last name, date of birth, unique identifier, the tax year for which federal tax information is required, and the date and timestamp of my approval for the use of my federal tax information in determining eligibility by ED for which approval is provided to the U.S. Department of the Treasury, Internal Revenue Service (IRS). I understand that in response to such a request from ED, the IRS shall then disclose my federal tax information to "authorized persons" (i.e., specifically designated officers and employees of ED and its contractors [as defined in 26 U.S.C. § 6103(l)(13)(E)]) for the purpose of determining eligibility for and the amount of federal

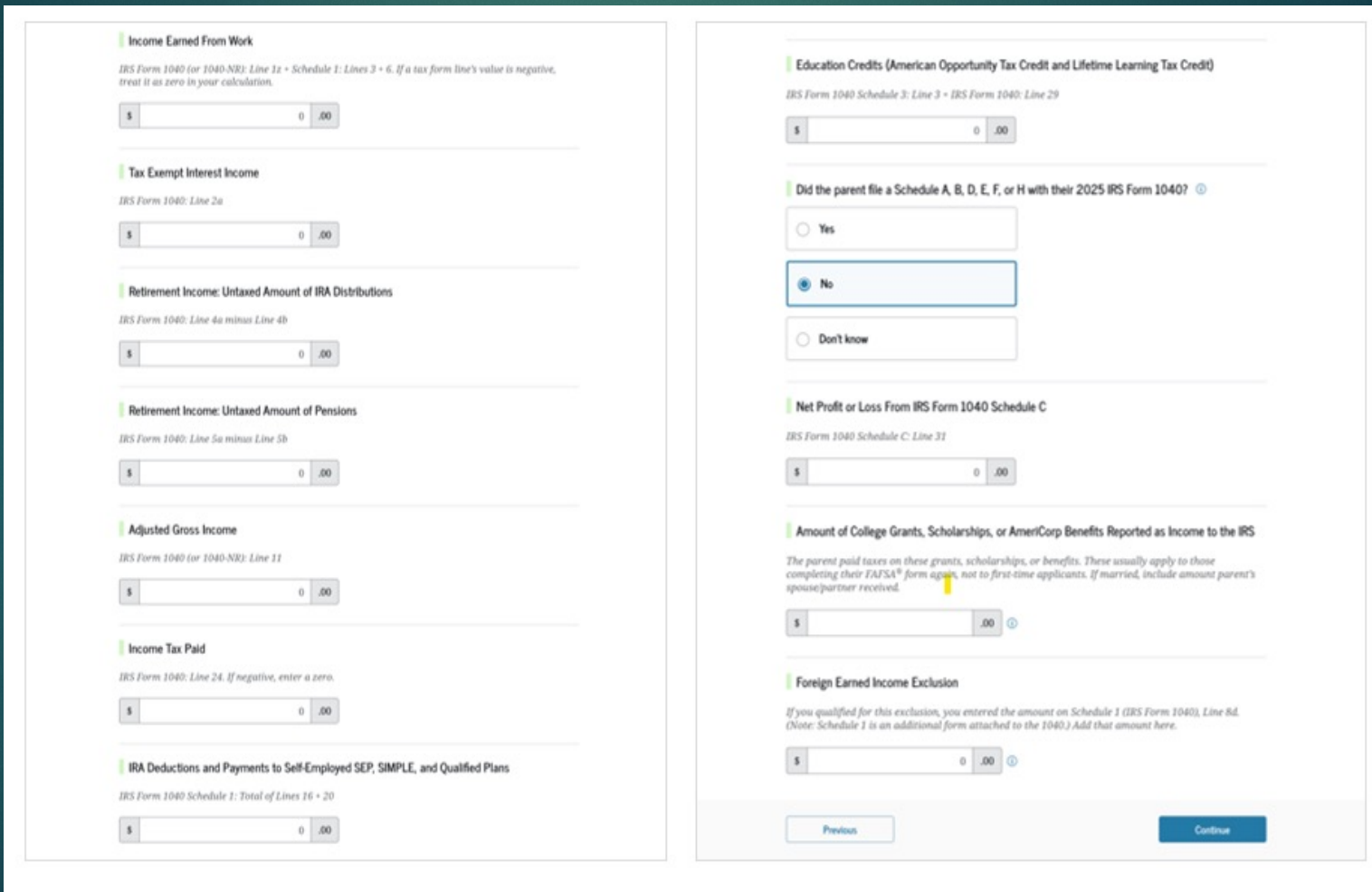


We're securely importing your information.

Do not leave this page while your information is being imported into your application.

Loading...

Parent Finances



Income Earned From Work

IRS Form 1040 (or 1040-NR): Line 1z + Schedule 1: Lines 3 + 6. If a tax form line's value is negative, treat it as zero in your calculation.

$ 0 .00

Tax Exempt Interest Income

IRS Form 1040: Line 2a

$ 0 .00

Retirement Income: Untaxed Amount of IRA Distributions

IRS Form 1040: Line 4a minus Line 4b

$ 0 .00

Retirement Income: Untaxed Amount of Pensions

IRS Form 1040: Line 5a minus Line 5b

$ 0 .00

Adjusted Gross Income

IRS Form 1040 (or 1040-NR): Line 11

$ 0 .00

Income Tax Paid

IRS Form 1040: Line 24. If negative, enter a zero.

$ 0 .00

IRA Deductions and Payments to Self-Employed SEP, SIMPLE, and Qualified Plans

IRS Form 1040 Schedule 1: Total of Lines 16 + 20

$ 0 .00

Education Credits (American Opportunity Tax Credit and Lifetime Learning Tax Credit)

IRS Form 1040 Schedule 3: Line 3 + IRS Form 1040: Line 29

$ 0 .00

Did the parent file a Schedule A, B, D, E, F, or H with their 2025 IRS Form 1040?

- Yes
- (•) No
- Don't know

Net Profit or Loss From IRS Form 1040 Schedule C

IRS Form 1040 Schedule C: Line 31

$ 0 .00

Amount of College Grants, Scholarships, or AmeriCorp Benefits Reported as Income to the IRS

The parent paid taxes on these grants, scholarships, or benefits. These usually apply to those completing their FAFSA® form again, not to first-time applicants. If married, include amount parent's spouse/partner received.

$ .00

Foreign Earned Income Exclusion

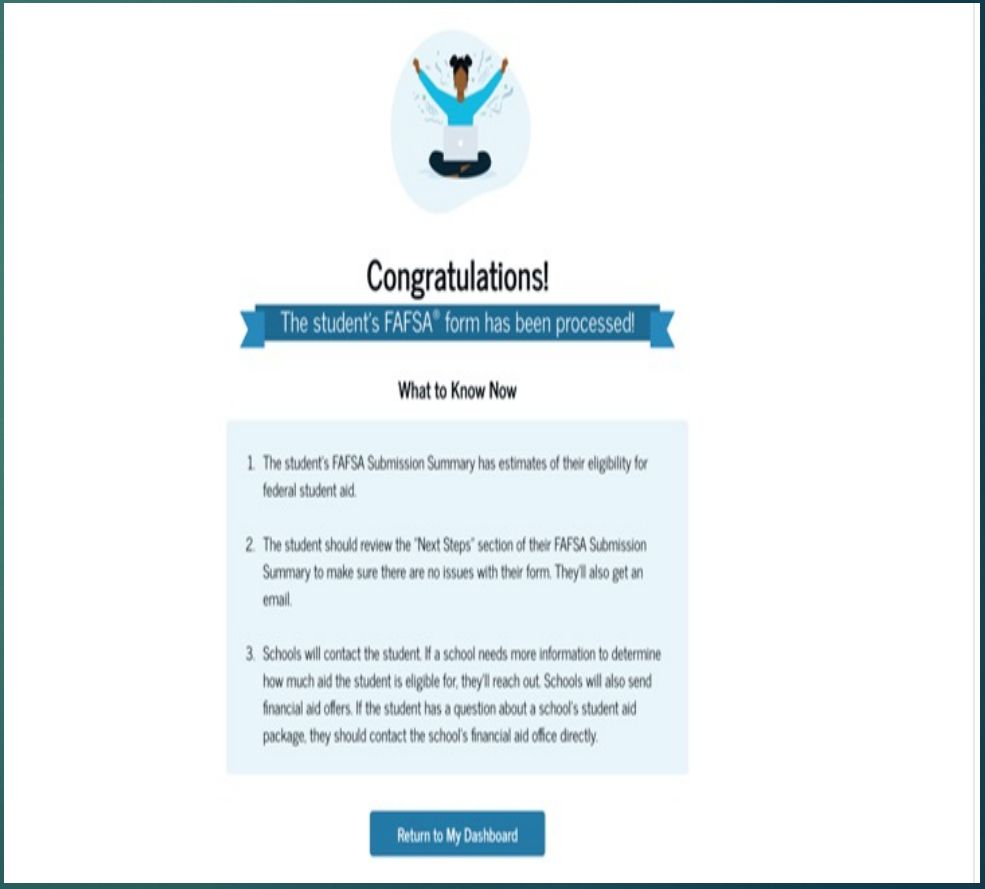
If you qualified for this exclusion, you entered the amount on Schedule 1 (IRS Form 1040), Line 8d. (Note: Schedule 1 is an additional form attached to the 1040.) Add that amount here.

$ 0 .00

Previous Continue

Parent Section Complete

- Review of information
- Signature and submission of FAFSA



Frequent FAFSA Errors



- Failing to file the FAFSA annually
- Filing the wrong year's FAFSA
- Missing financial aid deadlines
- Using the wrong Social Security Number (SSN) or date of birth
- Errors in student or parent marital status
- Incorrect data related to divorced parents
- Reporting retirement plans and the net worth of the family home as investments

Special Circumstances?

Contact the Financial Aid Office

- Divorce/Separation
- Loss of income or benefits
- One-time income
- Death or Disability of student or parent
- Substantial medical/dental expenses not covered by insurance
- Elementary or secondary school tuition
- Dependency override

(Note: Professional Judgment is at the sole discretion of each institution.)

The Application Process



Student submits FAFSA



ED calculates SAI and returns results to student

ED sends copy of result to state & schools of choice

School follows up with student





Response from Schools

The Financial Aid Office issues a:

FINANCIAL AID PACKAGE

Processing times vary

Delivery methods vary

Consisting Of:

- The Cost of Attendance
- Your Financial Aid Eligibility
- A description of each program
- What to do next



If you feel you have special circumstances, let the aid office know!

Questions to consider

Are the scholarships renewable?

- Requirements?
  - GPA, participation, major, max number of terms

Grant/Loan combination

Will the student graduate in 4 or 5 years? What is the additional cost?

Are there additional fees for specific majors?

How is student employment handled?

Actual cost minus aid – not just the most aid

How are we going to pay?

Direct Costs (tuition, room & board, fees, books)

- Financial aid

= Remaining balance due

- Am I billed for the year or by the term?
- What are my payment options?
- When are payments due?
- Do I need an additional loan? If yes, ensure that loans are finalized 1 month prior to the start of the term.



Net Price Calculator (NPC)

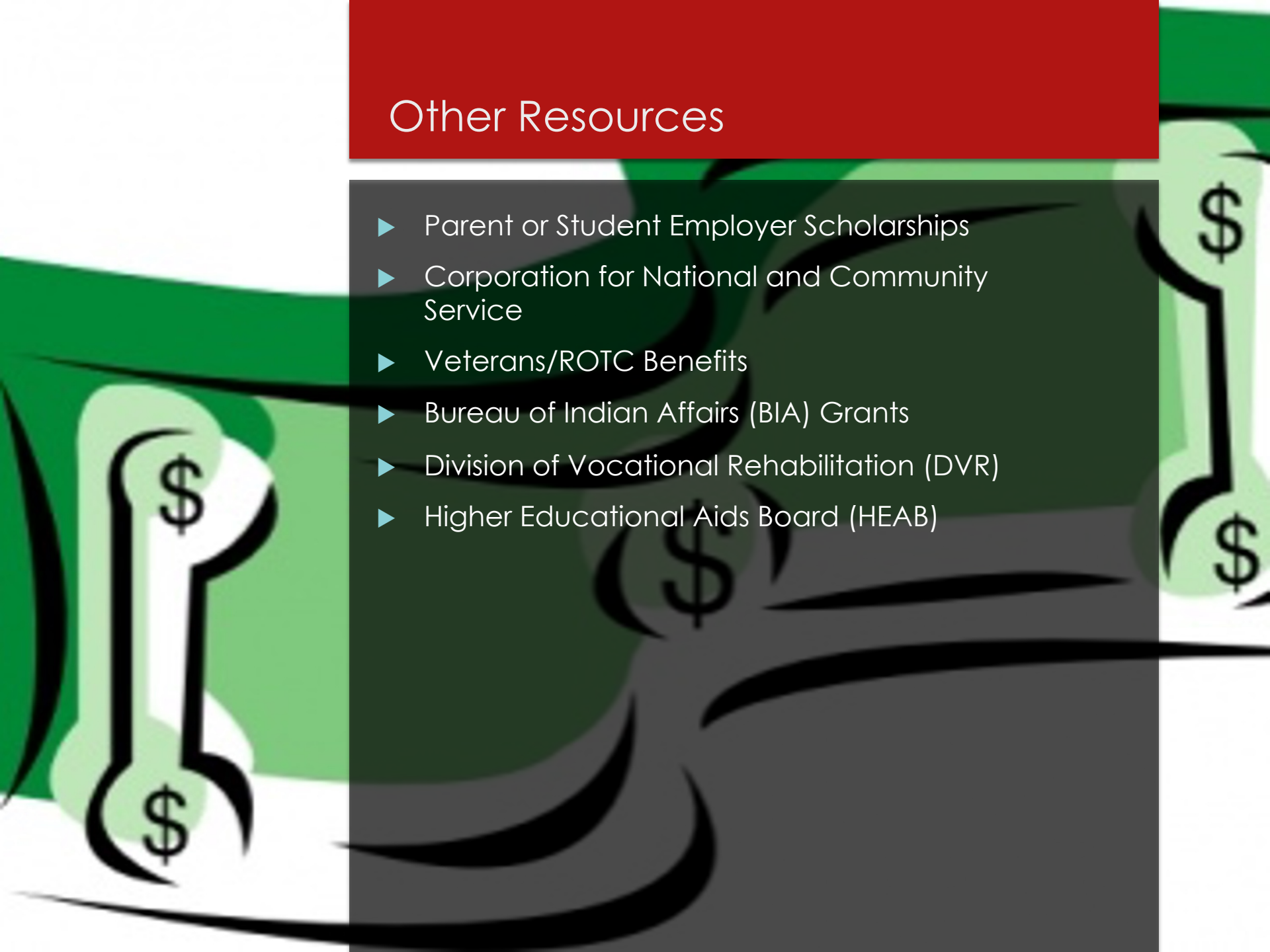
Aid estimate prior to actual financial aid package

- Located on individual college's website (all schools are required to have this)
- Families provide basic financial information
  - Parent and student income and assets

Changes in actual aid packages may result if information used on the NPC is significantly different than that on the FAFSA

Other Resources

- Parent or Student Employer Scholarships
- Corporation for National and Community Service
- Veterans/ROTC Benefits
- Bureau of Indian Affairs (BIA) Grants
- Division of Vocational Rehabilitation (DVR)
- Higher Educational Aids Board (HEAB)



Scholarship Searches

www.fastweb.com

www.collegeexpress.com

www.finaid.org

www.salliemae.com/college-planning/tools/scholarship-search/

bigfuture.collegeboard.org

www.cappex.com

Avoid Being Scammed

APPLYING FOR AID IS A FREE PROCESS!

Department of Education Office
studentaid.gov/resources/scams

Better Business Bureau
www.bbb.org

- Financial aid scam notices
- Tips to avoid scams
- Check legitimacy of scholarship agencies



College Goal Wisconsin

Free FAFSA filing assistance from aid experts

- 95.7 percent of the families felt it was worth participating
- College Goal Wisconsin events will take place virtually and in person during October and November.

Go to www.collegegoalwi.org for dates and details.

Final

- Apply early – watch deadlines
- Schools may have additional aid forms
- Each school evaluates the student differently
- Read ALL materials issued by the school
- Inform your school of any "special circumstances"
- Always keep copies





Questions?