




Elmhurst  
University



# Financial Aid 101

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# Agenda

- Cost of a College Education
- The Financial Aid Process
- Completing the FAFSA
- Types of Financial Aid
- Minimizing Debt
- Resources
- Q & A

# Cost of a College Education

Direct Costs	Indirect Costs
Tuition & Fees	Books & Supplies
On-Campus Housing & Board	Off-Campus Housing & Board
<ul style="list-style-type: none"><li>• These costs will appear on a college bill.</li></ul>	Personal Expenses
	Transportation Expenses
	<ul style="list-style-type: none"><li>• These costs will not appear on a college bill.</li></ul>

These direct and indirect costs make up a student's COA.

# Cost of a College Education

Q: How much will it cost my student to attend college?

A: It depends.

- Utilize schools' net price calculators to estimate your out of pocket costs.
  - Available on college's website
  - Pay attention to net prices, not sticker prices.
  - Makes comparing schools easier
  - Remember that this is just an estimate.

# How does my student become eligible for financial aid?

- Complete a FAFSA (Free Application for Federal Student Aid)
  - <https://studentaid.gov/h/apply-for-aid/fafsa>
- Complete the Alt App for IL Aid
  - <https://studentportal.isac.org/alternativeapp>
- Complete the “Profile” (if your school requires it)
  - [profileonline.collegeboard.com](http://profileonline.collegeboard.com)
- Complete Institutional Aid Applications
  - Check with your school to find out what forms are necessary.
- Seek out External Scholarship Opportunities
  - Check with your high school, local business, park districts, community foundations, etc...before heading to search engines.

# Completing the FAFSA



# Why Complete a FAFSA?

- FAFSA determines eligibility for Federal grants, state grants, and Federal student loans.
- If you don't try, you'll never know.
- In case of emergency...



# Am I eligible to complete a FAFSA?

- US Citizen or Eligible Non-Citizen
- Valid Social Security Number
- Registered with Selective Service (applicable to students born male, ages 18 to 25)
- Enrolled or accepted for enrollment in an eligible degree or certificate program
- Enrolled or will be enrolled at least half-time

# What will I need?

## 1. FSA ID

- A username and password allowing you to log in to and complete your FAFSA and access other federal student aid sites
- Parent and student each need to have their own unique FSA ID, tied to their own unique e-mail account.
- If you created an FSA ID for another student's FAFSA, you do not need to re-create one for this student.
- [studentaid.gov](https://studentaid.gov)-Create Account

## Log in to the FAFSA

Only students may use their FSA ID to log in. Parents and others can start a FAFSA for a student by entering the student's identifiers. Parents and others can also work on a FAFSA form or correction the student started using the **Save Key** that the student made. [Help for parents.](#)

Form Approved  
OMB No. 1845-0001  
App. Exp. 12/31/2019.

I am the student

OR

I am a parent, preparer, or student from a Freely Associated State

~~Do not log in with the FSA ID if you are not the student.~~

Don't have an FSA ID? [Create one](#) or login using the [student's identifiers](#).

The student's FSA ID Username or Verified E-mail Address ?

[Forgot Username](#)

The student's FSA ID Password ?

[Forgot Password](#)

NEXT 

# What will I need?

## 2. “Prior-Prior Year” Tax Data

- If you are filing a 2021-2022 FAFSA, use 2019 tax data.
- Highly encouraged to use the IRS Data Retrieval Tool
  - Automatically imports tax data from IRS
  - Reduces risk of human error/mistypes
  - Some families are not eligible to use this tool.
    - Utilize 2019 tax return to manually input data

# Student Tax Filing Status

Student  
Demographics



School Selection



Dependency Status



Parent  
Demographics

Financial  
Information



Sign & Submit

Confirmation

## STUDENT INFORMATION

Application was successfully saved.

Because the FAFSA belongs to the student, "you" and "your" always (unless otherwise noted) refer to the student.

**Attention!** You must provide financial information from your **2016 tax return** on the following pages.

For  re you completed your IRS income tax return or another tax return?

Already completed

For  at is your tax filing status according to your tax return?

Married-Filed Joint Return

Did you file a Puerto Rican or foreign tax return for 2016?

Yes  No


## IRS Data Retrieval Tool

Applying is faster and easier if you transfer your tax return information into this FAFSA with the IRS Data Retrieval Tool (IRS DRT)!

[LINK TO IRS](#)

# Student Leaving FAFSA

Student Demographics ✓ School Selection ✓ Dependency Status ✓ Parent Demographics Financial Information ✎ Sign & Submit Confirmation





**Leaving *FAFSA on the Web***

You are now leaving *FAFSA on the Web* and will be transferred to the IRS Web site. Your FAFSA information will be saved.

Your saved FAFSA will automatically open either when you transfer your information from the IRS or choose to return to *FAFSA on the Web* from the IRS Web site. If you do not transfer your information or choose not to return to *FAFSA on the Web* from the IRS Web site, you will have to log in to open your saved FAFSA.

**For your protection, your tax return information will not display on the IRS Web site or on the FAFSA.**

SKIP IRS DRT  **PROCEED TO IRS SITE** 

## Get My Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.

Enter the following information from your 2019 Federal Income Tax Return. [?](#)

Required fields \*

First Name *	<input type="text" value="Victor"/>
Last Name *	<input type="text" value="Bluejay"/>
Social Security Number *	*** - ** <input type="text" value=""/>
Date of Birth *	<input type="text" value="01"/> / <input type="text" value="01"/> / <input type="text" value="1975"/>
Filing Status * <a href="#">?</a>	<input type="text" value="Married-Filed Joint Return"/> <input type="button" value="v"/>
Address - Must match your 2016 Federal Income Tax Return. <a href="#">?</a>	
Street Address *	<input type="text" value="190 PROSPECT AVE."/>
P.O. Box (Required if entered on your tax return) <a href="#">?</a>	<input type="text" value=""/>
Apt. Number (Required if entered on your tax return)	<input type="text" value=""/>
Country *	<input type="text" value="United States"/> <input type="button" value="v"/>
City, Town or Post Office *	<input type="text" value="ELMHURST"/>
State / U.S. Territory *	<input type="text" value="Illinois (IL)"/> <input type="button" value="v"/>
ZIP Code *	<input type="text" value="60126"/>

Select the button below to exit the IRS system and return to your FAFSA.

By submitting this information, you certify that you are the person identified. Use of this system to access another person's information may result in civil and criminal penalties.

## 2019 **Federal Income Tax Information**

Victor E and Victora Bluejay


Based on the information you provided, the Internal Revenue Service (IRS) located your income tax return. With your permission below, the IRS will securely transfer your tax information to the U.S. Department of Education (ED) to populate any applicable FAFSA® questions.

For your protection, the IRS will not display your tax information and will further encrypt any tax information transferred using the IRS DRT; therefore, ED is unable to display your tax information on your FAFSA form.

The data retrieved from your tax return is limited to the items listed below as you reported to the IRS:


Tax Year	Type of Return Filed	Untaxed Pensions
Name(s)	Adjusted Gross Income	Untaxed IRA Distributions
Social Security Number	Income Earned from Work	Tax-exempt Interest Income
Filing Status	Income Tax	IRA Deductions and Payments
IRS Exemptions	Education Credits	Status of Amended Returns Received

Refer to your tax records if you have a question about the values you reported.

 Print this page for your records before choosing an option below.


### **Transfer My Tax Information into the FAFSA Form**

The tax information provided to fafsa.gov will populate the answers to the appropriate FAFSA questions. After the FAFSA questions are populated, your IRS session will end, and you will return to your FAFSA form. Check this box if you are choosing to transfer your information.

**Transfer Now** 

### **Do Not Transfer My Tax Information and Return to the FAFSA Form**

By clicking the "Do Not Transfer" button, you are choosing not to transfer your tax information electronically. Your IRS session will end, and you will return to your FAFSA form.

**Do Not Transfer** 



# Certain tax filers cannot use the IRS Data Retrieval Tool

Did not indicate on FAFSA a tax return was completed

Marriage date is January 2019, or later

First three digits of the SSN are 666

Filed a non-U.S. tax return

Married and filed as head of household, or filed separate returns

Neither married parent entered a valid SSN

Non-married parent or both married parents entered all zeroes for the SSN

# What will I need?

## 3. Valid Name, SSN, and Birthdate

- Reference your/your student's social security card/birth certificate if necessary.
- FAFSA runs the student information through several database “checkpoints” including the Department of Homeland Security, Selective Service, etc...
  - Information has to be correct for the FAFSA to transmit to schools properly.

STUDENT INFORMATION

[Expand All](#)

> How can I get help completing my FAFSA?

> How many steps does it take to complete?

> How long will it take to complete?

> Can I save my FAFSA if I can't finish it?

> Documents needed to complete the FAFSA

> Signing the FAFSA

> *FAFSA on the Web* Security and Privacy

NEXT 

# What will I need?

## 4. A clear understanding of dependency status...

- To be considered independent, a student must...
  - Be 24 years of age or older.
  - Is married
  - Support a dependent of their own by more than 50%.
  - Support other dependents by more than 50%
  - Be an active duty member of the military or veteran
  - Be in Legal Guardianship/orphaned/Ward of the Court.
  - Be experiencing homelessness as determined by a school or HUD
  - Have already earned a Bachelor's degree

\*If answers to all questions on “Dependency Status” screen of FAFSA are “no,” then the student is dependent.

# What happens when I click submit?

After submission, the FAFSA (student's personal data) is sent through a variety of "checkpoints."

i.e. Department of Homeland Security, NSLDS, SSA,  
Department of Justice, Selective Service database

Your application may be selected for a federal process referred to as "Verification."

If selected for Verification, schools may request additional documents from you and your student.

# Verification

- 26% of students are selected for Verification.
- A common document requested is the IRS Tax Return Transcript.
  - If you are ineligible for the IRS DRT, you may want to request a copy of this document to simply have on hand.
  - Request this document on [irs.gov](https://www.irs.gov).
- Keep copies of documents that you provide for schools

# Alternative Application for Illinois Financial Aid

- New for 2020-2021
- Students ineligible to complete the FAFSA due to citizenship or Selective Service requirements are able to complete the Alt App
- Must be an IL resident for at least one year prior to completion
- Use 2019 income data for student and parent
- Determines eligibility for MAP and other IL grants
  - Does not lead to Federal grants or loans
  - Some institutions may award need-based grants based on this data
- Complete as close to October 1 as possible.

# EFC: Expected Family Contribution

- Influenced by:
  - Parent income & assets
  - Student earnings and savings
  - Family size, age of the oldest parent, number of children in college
- Schools can assist families in “special circumstances” that may change an EFC
  - Divorce, death of a parent, loss of job/income, extenuating medical bills, etc...
- Think of EFC as an index number, not necessarily a dollar value, especially when working with private institutions.



# Mark Your Calendars



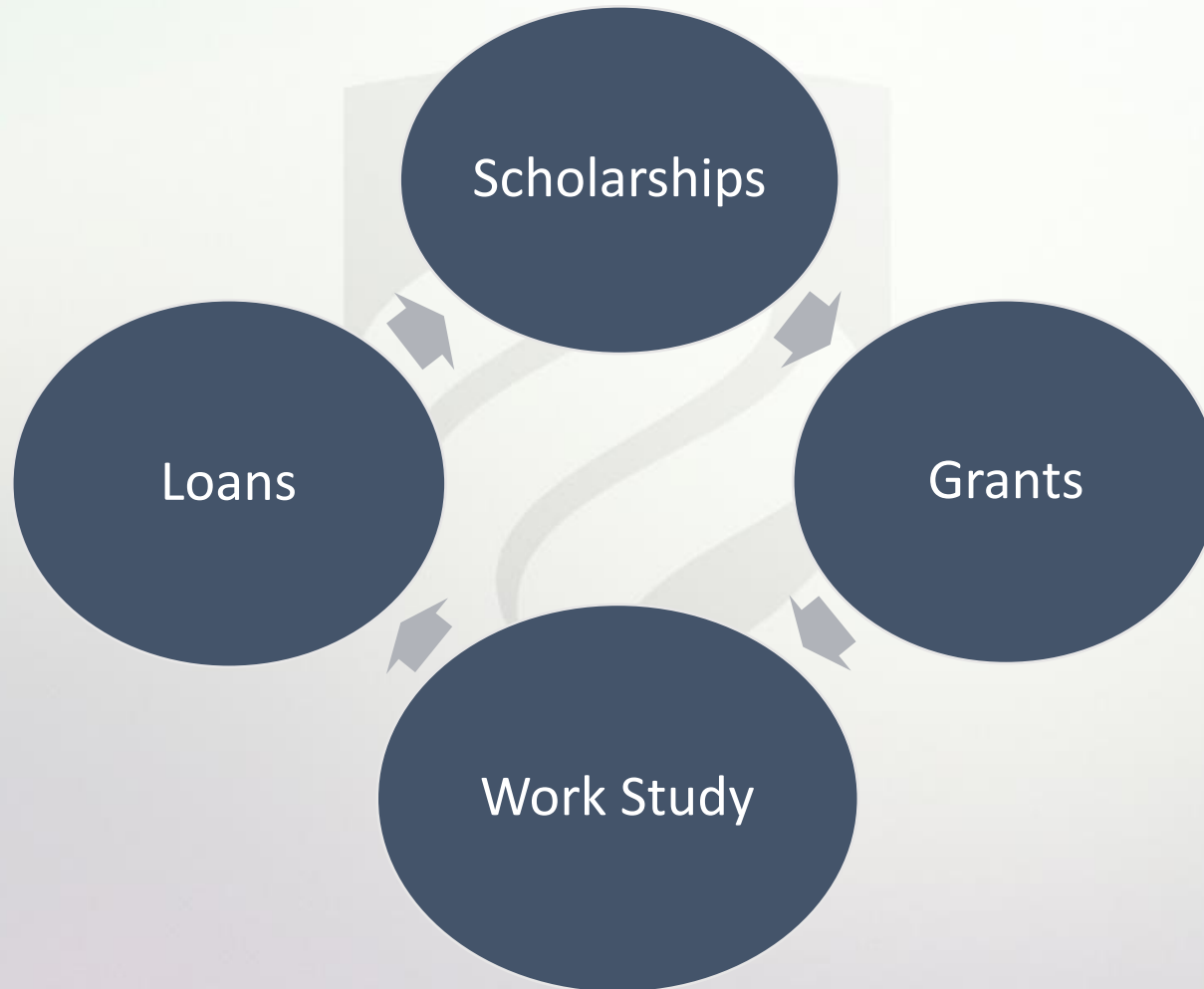
**OCTOBER 1**

Complete the FAFSA or Alt  
App as close to Oct. 1 as  
possible.

# Institutional Aid Applications

- CSS Profile
  - Most common supplemental financial aid application
  - One application that allows students to apply for non-federal financial aid from almost 400 colleges, universities, professional schools, and scholarship programs.
  - Create a College Board Account to complete the “Profile.”
  - Complete **in addition to** the FAFSA.
- Check with individual schools to determine if other institutional applications are necessary for financial aid.

# Types of Financial Aid



# Scholarships

- Institutionally & Externally Offered
- Determined by Academics, Extra-curriculars, Athletics, etc...
- Usually Competitive
- Free Money!

# Grants

- Based on financial need
- Examples:
  - Pell Grant
    - Maximum award of \$6,395/year
    - Prorated based on credit hours & EFC
  - FSEOG
    - Maximum award of \$4,000/year
    - May be lower depending on school's allotment of funds
  - IL Monetary Award Program (MAP)
    - Maximum award of \$5,340/year
    - Prorated based on credit hours
    - File FAFSA as soon as possible to ensure deadlines are met.
  - Institutional
- Free Money!

# Work Study

- Based on financial need
- On-Campus Employment
- Part-time hours
- Earnings paid directly to student
- Earned Money

# Loans

- Borrowed Money!
- Offered Federally and Privately
- Federal Loan Types:
  - Stafford Subsidized/Unsubsidized
    - Income-Driven repayment plans
    - Standard 10-25 year repayment plans
    - Public Service Loan Forgiveness
    - 6 month grace period before repayment begins
    - In-school deferment & forbearance
    - 2.75%% fixed interest rate for 2020-2021 federal sub/unsub loans
  - PLUS-Parent borrower, 4.5% interest for 20-21, can be deferred

\* Must complete a FAFSA to receive federal student loans

# Minimizing Debt

According to the Institute for College Access and Success, the average Illinois graduating student has a total of \$29,271 in student loan debt.

61% of students in Illinois borrow loans in order to finance their college education.

**Do not borrow any more than you need.**



# Minimizing Debt

- Complete the FAFSA to gain access to lower interest student loans.
  - Federal loans have a 6 month grace period after graduation before repayment begins.
  - 2.75% fixed interest rate in 2020-2021
  - Students may pay early to reduce accrued interest.
- Seek other loans responsibly.
  - Look for interest rates and repayment options that will be low and beneficial to you.
  - Pay as much as you can out of pocket.
- Utilize school-offered payment plans.

# Minimizing Debt

- Build a budget.
  - Live like a college student.
- Ask your school's Financial Aid Office questions about how students manage tuition payments at their school.
- Utilize the resources your college provides.

# Resources

- The US Department of Education
  - [studentaid.gov](https://studentaid.gov)
- Loan Repayment Calculator
  - [studentaid.gov](https://studentaid.gov)
- Your college's Financial Aid Office and its representatives

# Q & A

