

Financial Aid: Frequently Asked Questions

How do I apply for financial aid?

To apply for most financial aid, you will need to complete the Free Application for Federal Student Aid (FAFSA). This form is used to determine federal, state and school aid. The FAFSA is available from high school counselors and the financial aid office at the school you want to attend. You can also apply online at www.fafsa.gov.

Why should I complete the FAFSA when I know I won't qualify for aid?

Most student loan programs require the student to complete a FAFSA and many colleges and universities use the FAFSA to award institutional grants and scholarships.

How much financial aid can I receive?

It will depend on your and your parents' income, living expenses, assets and savings. This is called the *expected family contribution* (EFC). Your eligibility is also determined by the cost of attendance at the institution you select. The FAFSA will determine your financial need from this information and will send a report to the schools you indicated. The amount of financial aid you are eligible to receive is determined by subtracting the EFC from the total cost of attendance for a specific school:

$$\begin{array}{r} \text{Cost of Attendance} \\ - \text{Expected Family Contribution} \\ = \text{Financial Need} \end{array}$$

Each school will offer a tailored financial aid package to meet this financial need, and may include a combination of grants, scholarships, work study and loans. Don't rule out any school simply because of cost. Your financial aid eligibility increases as the cost of a school increases, but the expected family contribution stays the same:

$$\begin{array}{r} \$5,000 \text{ Cost of College A} \\ - \underline{3,100 \text{ Expected Family Contribution}} \\ = \text{\$1,900 Financial Need} \end{array} \qquad \begin{array}{r} \$15,000 \text{ Cost of College B} \\ - \underline{3,100 \text{ Expected Family Contribution}} \\ = \text{\$11,900 Financial Need} \end{array}$$

Visit www.getreadyforcollege.org/estimator to calculate how much aid you may be eligible to receive.

Do families need to complete a separate FAFSA for each child?

Yes. However, the FAFSA on the Web will allow you to transfer parental information from one child's FAFSA to another's if they apply within the same year.

If my parents are legally separated or divorced but filed taxes jointly this year, do I need to include their financial information on the FAFSA?

No. Only the parent with whom you resided the longest during the preceding 12 months should provide financial information. If you did not live with either parent or lived with both equally, then the parent who provided the most financial support should provide financial information on the FAFSA. If this particular parent has remarried, your stepparent's information must also be reported.

What if my parents live together but were never married?

You will only need to provide information about the parent you lived with the most in the past 12 months. If you lived with both parents an equal amount of time, then report information about the parent who provided the most financial support for you in the past 12 months or the most recent year financial support was provided. However, some private college and universities may require the student to complete a noncustodial parent form for the parent whose income was not reported on the FAFSA. The information from that form will only be used to determine eligibility for scholarships funded by the college itself and will not affect eligibility for federal or state financial aid.

My parents refuse to provide their tax information for the FAFSA. Can I still get financial aid?

Yes, but you will only be eligible for the unsubsidized Stafford Loan, which means you must pay interest while attending college. However, if your inability to obtain parental information is due to unusual circumstances (parental incarceration, abuse, abandonment, etc.), you should contact your college's financial aid office to inquire about a dependency override, which will allow you to apply as an independent student.

If I plan to get married after filing the FAFSA, should I list my status as married?

No. Because the FAFSA is based on the information provided on the date it was completed, your marriage status would be "unmarried" if you complete the FAFSA before you get married.

Does the FAFSA consider me an independent student if I am expecting a child during the academic year for which I will receive financial aid?

Yes. Also be sure to include the child under household size.

Will a family's retirement assets decrease a student's financial aid eligibility?

It depends on how they save for retirement. Certain assets such as pensions, life insurance and individual retirement accounts (IRAs) are not evaluated when determining financial aid eligibility. Nor is home equity included for the home in which the family resides. Other assets such as savings accounts, 529 plans, certificates of deposit, stocks, mutual funds and other real estate are included. However, the formula used to calculate the expected family contribution (EFC) assumes families are saving for retirement and provides an "asset protection allowance" according to parental age and marital status. This amount is subtracted from the total net worth of the assets, and of the remainder, only 12 percent is considered available assets. A smaller percentage of assets, 5.6 percent, is actually assessed for the parent contribution. Families should not need to tap into retirement savings to pay for college.

I live with my foster parents and their children. Should they be reported in parents' household size?

If you were in foster care at or after age 13, you can answer 'Yes' to the question in Section Three of the FAFSA that asks about being in foster care. You will automatically be considered an independent student, which means you will not have to provide parental information on the FAFSA.

I was born in the United States, but my parents are undocumented. Can I still apply for financial aid using the FAFSA?

Yes. Your parents should put all zeros for their Social Security Number on the FAFSA and should not indicate that they filed taxes.

Am I eligible for financial aid if I am not a U.S. citizen?

Yes, but you must meet ONE of the following criteria to be considered an eligible non-citizen:

- You are a U.S. permanent resident with an Alien Registration Card (I-551).
- You are a conditional permanent resident with an I-551C card.
- You have an Arrival Departure Record (I-94) from the Immigration and Naturalization Service (INS) with any of the following designations:
 - refugee
 - asylum granted
 - parolee
 - Cuban-Haitian entrant
 - victim of human trafficking
 - holder of T-Visa

For other eligibility requirements, visit www.getreadyforcollege.org/paying. Click on **About Financial Aid** and then **Are You Eligible?** for federal and state aid eligibility.