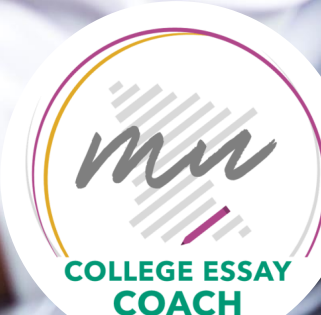


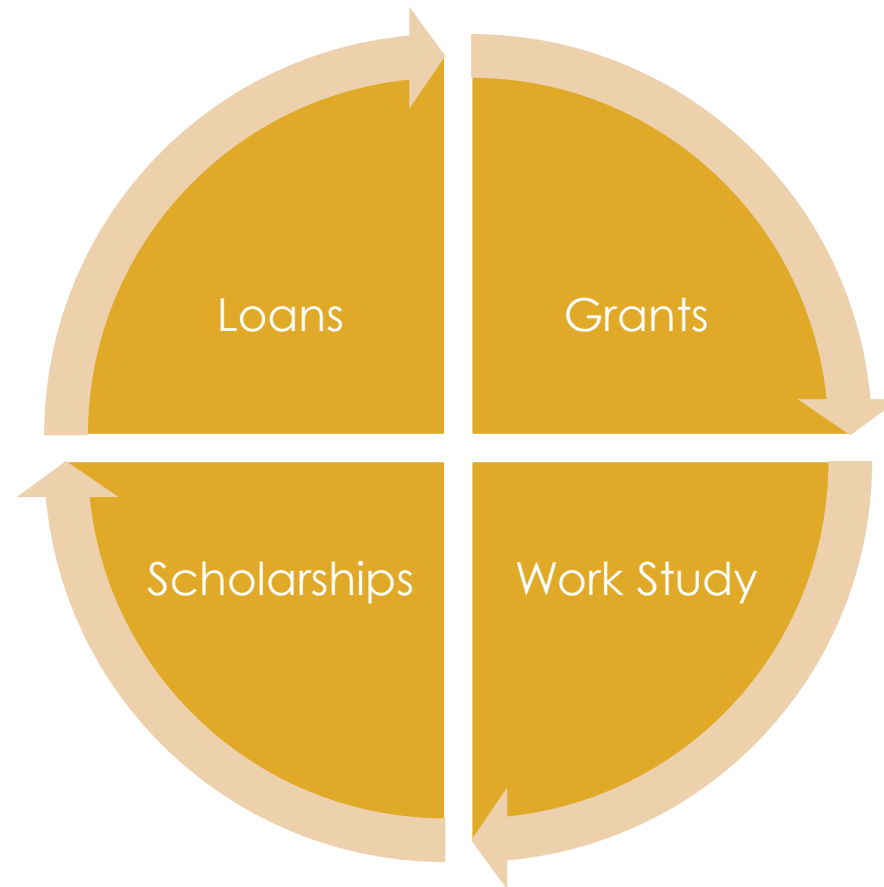
*paying for college*

A Resource Guide  
for Families

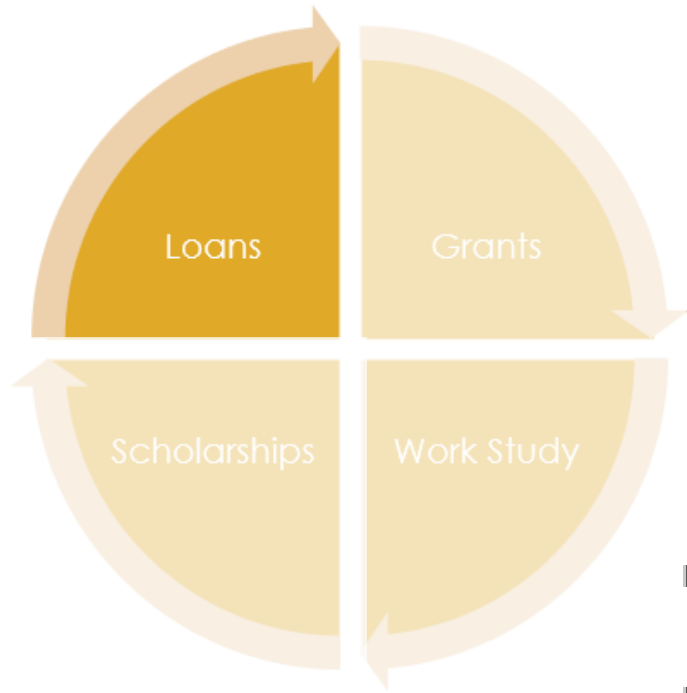


# *understanding financial aid*

Before applying for financial aid, it's important to know what types are available and the particulars of each



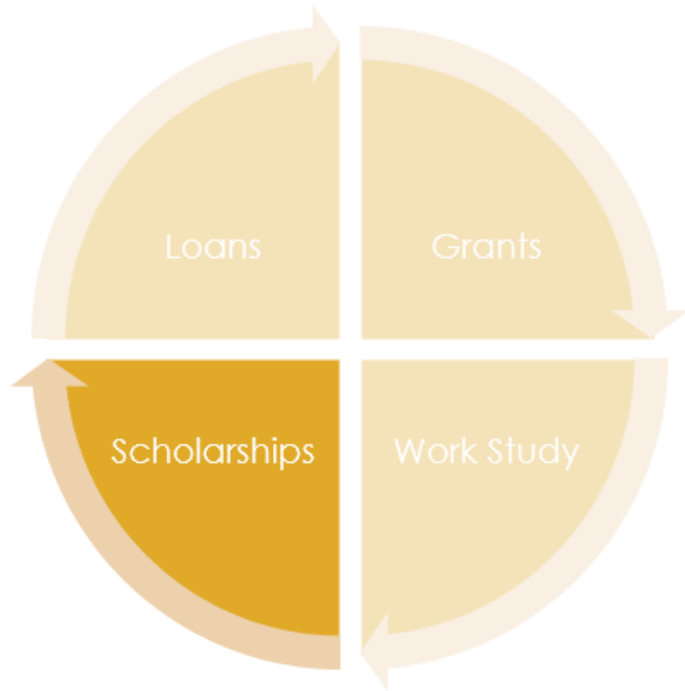
# understanding financial aid



- **Federal loans** (provide lowest interest rates)
  - Subsidized  
*interest covered by government while student in school*
  - Unsubsidized  
*interest accrues while student in school*  
Must begin paying 6 months after finishing or leaving school
- **Private loans** (depend on parent credit rating)
- **Parent Loan for Undergraduate Students**
- **Perkins**

**LOANS MUST BE REPAID**

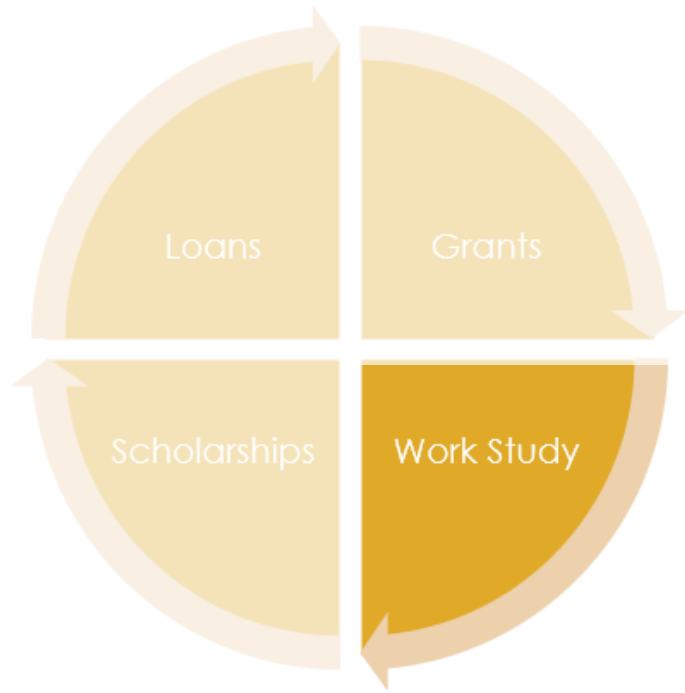
# understanding financial aid



- **No limit to the amount you can receive**
  - National
  - Employee
  - Local

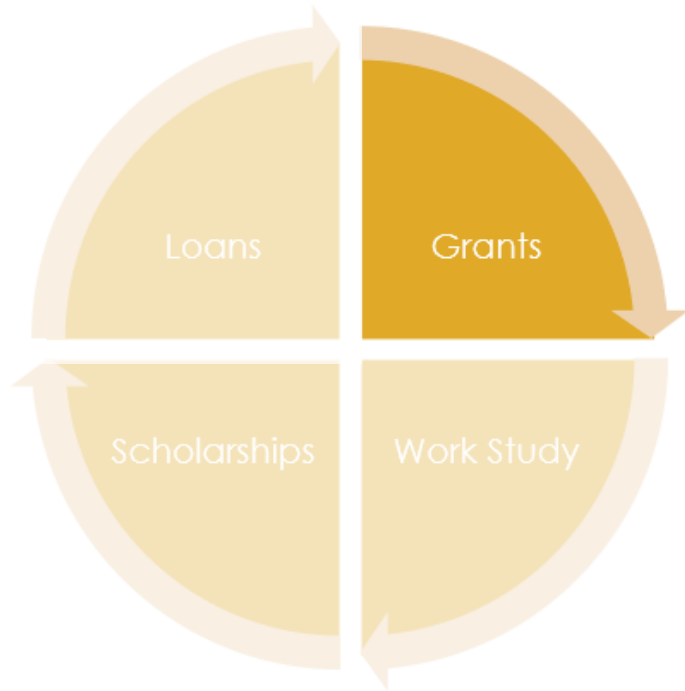
**SCHOLARSHIPS ARE LIKE GIFTS; NO REPAYMENT**

# understanding financial aid



- **On or off campus**
- **MUST** indicate interest on FAFSA
- Can be declined or reduced based on offer
- Must still secure a job to earn the money

# understanding financial aid



- **Available from**
  - Federal government
    - Pell | Supplemental Education Opportunity
  - State governments
  - The institution
- Need or merit based

**GRANTS ARE LIKE GIFTS; NO REPAYMENT**

# minnesota-specific resources

## Minnesota State Grant

### *eligible*

#### **Minnesota residents who:**

- Are graduates of a secondary school or its equivalent or are at least 17 years old
- Will be enrolled as undergraduates for at least three credits at one of the 130 eligible institutions in the state
- Have not yet attended eight full-time semesters of postsecondary education or the equivalent
- Have not received a baccalaureate degree.

### *ineligible*

#### **Students who are:**

- In default on a student loan
- Are 30+ days late on child support (unless payment plan in process)

# minnesota-specific resources

## **Minnesota State Grant**

- Must enroll in college full time (15 credits per semester) to receive full amount of grant
- Award vary but the average is \$2,603
- Must reapply each year; grants can be renewed for up to six semesters
- Apply via FAFSA
- Undocumented students can apply via [MN Dream Act application](#)



# minnesota-specific resources

## Minnesota Scholarships

[ISL Midwest Senior Scholarship](#)

[Korean American Scholarship Foundation-Midwestern Regional Chapter](#)

[Minnesota Academic Excellence Scholarship](#)

[Minnesota Child Care Grant](#)

[Minnesota Indian Scholarship Program](#)

[Minnesota Masonic Charities 4-Year Scholarships](#)

[Minnesota Masonic Charities Undergraduate Scholarships](#)

[Minnesota Masonic Charities Vocational Scholarship](#)

[Minnesota Public Safety Officers' Survivor Grant](#)

[Minnesota State Grant Program](#)

[NIADA Foundation Regional Scholarships](#)

[Page Education Foundation Grants](#)

[PFund Scholarship](#)

[PMI Robert J. Yourzak Scholarship Award](#)

[SFM Foundation Scholarship](#)

[Tall Clubs International Student Scholarships](#)

[The Salvation Army Linden Scholarship](#)

[U.S. Army Loan Repayment Program](#)

[Vincent L. Hawkinson Foundation Scholarship](#)

Eligibility and application processes vary greatly; click each link for details

*The key to unlocking all of  
these options?*

**Free Application for Federal Student Aid  
(FAFSA)**



# completing the **FAFSA**

Opens Oct. 1 each year at  
[www.FAFSA.gov](http://www.FAFSA.gov)

Must be citizen or eligible non-citizen.  
Search [www.FAFSA.ed.gov](http://www.FAFSA.ed.gov) to confirm  
your status.

## Collect these documents/pieces of information to apply:

- Social security numbers for parents and student
- Birthdates for parents and students
  - Parents must provide even if they lack a social security number
- Prior prior year tax return w/corresponding W2s
  - E.g. if applying in 2021, provide 2019 tax return

# *completing the* **FAFSA**

## **Collect these documents/pieces of information to apply (cont'd):**

- Year parents married, separated or divorced
- Balances of checking and savings accounts
  - For parents and student if available
- Child support received, if applicable
- Balances of stocks, bonds, mutual funds, 529 plans
- Value of investments & real estate (except home lived in)
- Tax free disability benefits & tax free income from work
- Non-education veteran benefits

# *completing the* **FAFSA**

**Collect these documents/pieces of information to apply (*cont'd*):**

- If applicable:
  - Social Security
  - Temporary Assistance for Needy Families
  - Food stamps
  - WIC
  - Free or reduced lunch

# *completing the* **FAFSA**

## **Who qualifies as the parents and provides info to FAFSA?**

- Both if biological parents are married
- Biological parents plus stepparents
- Any adopted parents
- If parents are divorced and not remarried, parent with highest income typically provides info to FAFSA

# completing the **FAFSA**

## What if parents are undocumented or don't file taxes?

- **If they don't have a Social Security number:**
  - Enter all zeroes as their SSN. Do NOT enter a Taxpayer Identification Number
  - They won't be able to e-sign the FAFSA because they won't be able to create an FSA ID. Select the option to print a signature page at the end of the application. Have your parent sign and mail to the address indicated.
- **If your parent doesn't live in the U.S.:**
  - Select "Foreign Country" for the parents' state of legal residence
  - Select Yes when asked whether your parents filed a Puerto Rican or foreign tax return
  - Convert amounts on foreign tax returns into U.S. dollars (directions on FAFSA)
  - If your parents live in one of the Freely Associated States, they'll use the Amount of Wages Earned from their Freely Associated States tax form as adjusted gross income
- **If your parent doesn't file taxes at all:**
  - Select "Not going to file"
  - Provide information about how much your parent earned from work instead of information about specific items on the tax form



# creating an **FSA ID**

[www.FSAID.ed.gov](http://www.FSAID.ed.gov)

- **Serves as an e-signature for the FAFSA. Reminder: must be U.S. citizen to get an FSA ID.**
  - Enter all zeroes as their SSN. Do NOT enter a Taxpayer Identification Number
  - They won't be able to e-sign the FAFSA because they won't be able to create an FSA ID. Select the option to print a signature page at the end of the application. Have your parent sign and mail to the address indicated.
- **If your parent doesn't live in the U.S.:**
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# FAFSA *resources*



Microsoft Edge  
PDF Document

**FAFSA worksheet**



Microsoft Edge  
PDF Document

**FAFSA document checklist**

# *completing the* **CSS Profile**

[www.cssprofile.collegeboard.org](http://www.cssprofile.collegeboard.org)

- Required for ~200 selective U.S. colleges
- In addition to – not in place of – the FAFSA.
- More comprehensive info required about parents':
  - Investments
  - Real estate
  - Business holdings
- \$25 for first school; \$16 for subsequent schools. Waivers available.

# *completing the* **CSS Profile**

**Tutorial to help with completing:**



# *after submitting* **FAFSA**

## **Student Aid Report**

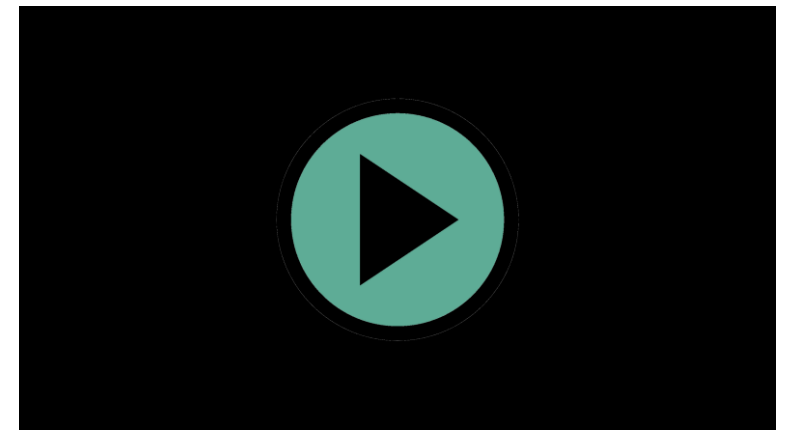
- Summarizes info submitted on FAFSA
- Provides Expected Family Contribution, federal loan and grant eligibility estimates, need for verification
- Does NOT tell you how much financial aid you'll receive
- Will be emailed if email address provided on FAFSA; otherwise mailed
- Delivered several days up to three weeks after FAFSA submission
- Review for accuracy – if mistakes found, [click here](#)

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

# after submitting **FAFSA**

## Verification

- 1 out of 3 applications are flagged for verification; some schools verify every application
- Process of supplying documentation to validate the information provided on the FAFSA
- E.g. income tax returns, W2 statements
- Meant to improve accuracy, not audit
- Aid may be withheld until verification process concludes; any documentation deemed necessary can be requested



# *after submitting* **FAFSA**

## **Targeted Verification**

- Flags data elements most prone to error or that seem inconsistent; usually five or fewer
  - E.g. household size, receipt of foot stamp, adjusted gross income, etc.
- Elements requested vary by applicant's dependency status, whether federal income tax is filed, etc.

# *after submitting* **CSS Profile**

## **Verification**

- The College Board may require verification of the information provided
- You'll be notified by them if you need to submit documentation through Institutional Documentation Service (IDOC), where you can upload required documents

# evaluating financial aid offers

## Comparison is critical!

- The amount and type of financial aid awarded by each institution will vary greatly and isn't always easily apparent
- It isn't always readily apparent what aid will need to be repaid vs. what is gift aid
- Don't forget you'll need to pay for direct costs (tuition + room & board) as well as indirect costs (transportation + books, etc.)
- It's imperative to create an apples-to-apples comparison of the offers to truly understand them and make the right choice for you



# evaluating financial aid offers

## Comparison is critical!

- Use this worksheet to compare offers from up to four schools



Microsoft Edge  
PDF Document

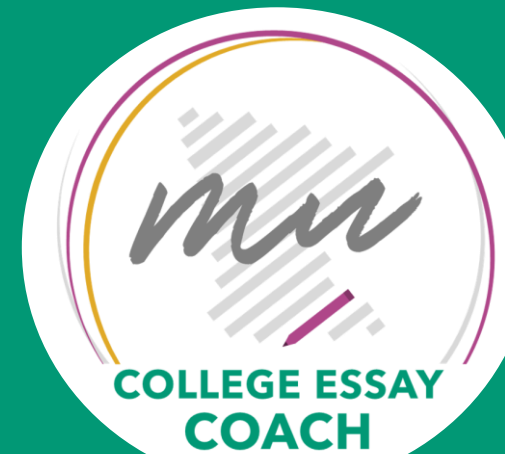
*Financial Aid Comparison Chart*

College or University	School 1	School 2	School 3	School 4	School 5
	HBU	UT Dallas	Pitzer		
<b>Cost of Attendance</b>					
Tuition and Fees	32530	11806	48660		
Room and Board	8060	9944	15210		
Books and Supplies	1000	1200	2000		
Travel	1762	1480	300		
Personal Expenses	2720	2040			
<b>Total Costs</b>	<b>46072</b>	<b>26470</b>	<b>66170</b>	<b>0</b>	<b>0</b>
<b>Financial Aid</b>					
<b>Gift Aid</b>					
Grants	8020	12006	58670		
Scholarships	13000	600	7500		
Other Gift Aid					
<b>Student Loans</b>					
Federal Stafford/ Direct Loans	5500	5500			
Perkins Loans					
Other Student Loans					
<b>Work</b>					
Work Study/Job Offer	2000	5000			
<b>Total Financial Aid</b>	<b>28520</b>	<b>23106</b>	<b>66170</b>	<b>0</b>	<b>0</b>
<b>Total cost</b> <b>— Total financial aid</b> <b>= UNCOVERED COSTS</b>	<b>17552</b>	<b>3364</b>	<b>0</b>	<b>0</b>	<b>0</b>

[aplusfcu.org/mygrad](http://aplusfcu.org/mygrad)

Federal Credit Union

Thank you!



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