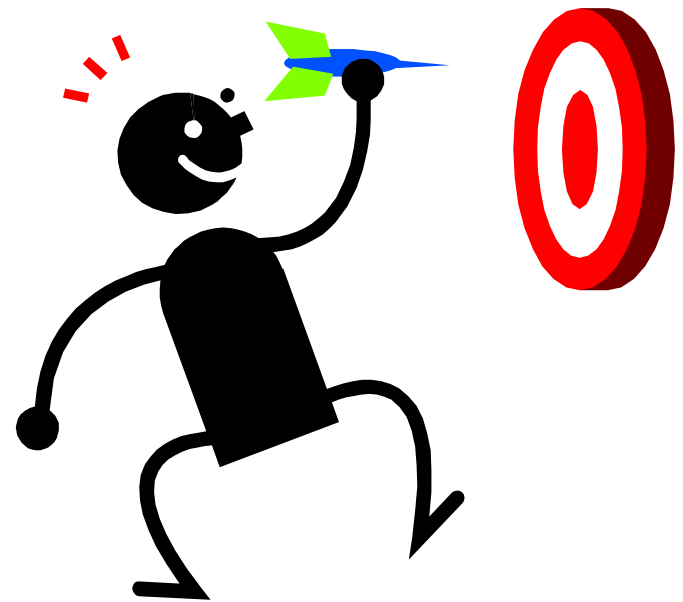


Paying for College: An Overview of the Financial Aid process

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Search for Scholarships

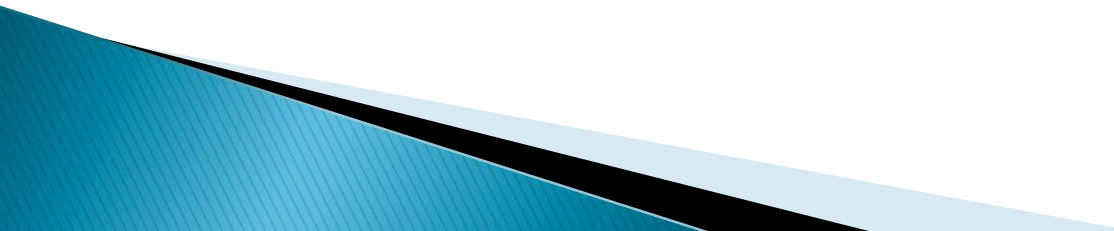
- ▶ Seniors should be looking NOW
- ▶ Consider all options:
 - High School Counselor
 - Organizations/Business in community
 - Employers, etc.
 - Colleges they are considering
 - National searches



Applying for Aid

- ▶ Apply for a Federal PIN at www.pin.ed.gov
 - Both the parent and student will need a PIN
- ▶ Complete the Free Application for Federal Student Aid (FAFSA) at www.fafsa.gov
 - Apply on or after January 1 each year, but as early as possible to meet all deadlines
 - FAFSA can be filed using estimates (prior year taxes, year end paystubs, etc.)
 - IRS Data Retrieval for those that have filed taxes prior to completion of the FAFSA
 - Available February 1, 2012

FAFSA (cont.)

- ▶ FREE assistance is available to families
 - Colleges/Universities
 - Iowa College Access Network (ICAN)
 - ▶ The Iowa Financial Aid application is available to be completed at the end of the FAFSA
 - Would include many programs offered through the Iowa College Aid Commission
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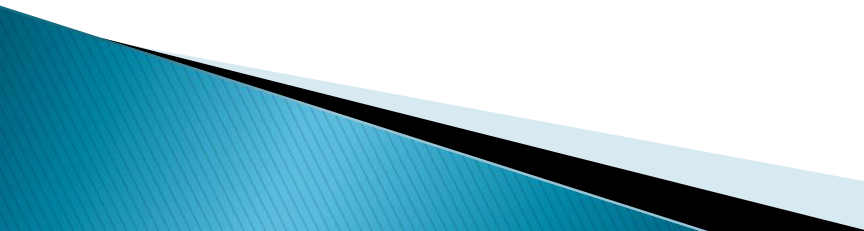
FAFSA Fun Fact

- ▶ What was the average amount of time that it took a family to complete the 2011–12 FAFSA?
 - 23 minutes
 - 35 minutes
 - 48 minutes
 - 322 days and counting, I'm still trying to figure out my PIN.....
- The answer is 23 minutes, down from 32 minutes in 2010–11
- Also, the first 2011–2012 FAFSA was submitted at 12:04 AM on January 1, 2011

Expected Family Contribution (EFC)

- ▶ The EFC is the result of the FAFSA
 - A theoretical value used to determine the amount and types of financial aid that will be awarded by each college
- ▶ Colleges award financial aid based on the EFC provided on the FAFSA
 - The same EFC will be transmitted to each college the student has listed on their FAFSA, however the awards may be differ greatly
 - Awards could differ based on cost of attendance, funding availability, and institutional awarding parameters

Verification

- ▶ Federal regulation that requires selected students to submit both parent and their taxes to be compared to the answers given on the FAFSA
 - ▶ Generally notified of this requirement by the colleges they listed on the FAFSA
 - ▶ Compares FAFSA results with filed taxes
 - Families using IRS Data Retrieval will have easier time with verification process.
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Award Notifications



- ▶ Colleges generally begin providing award notifications in mid-March, early April
- ▶ Electronic and paper awards may be available depending on the college
- ▶ The best offer that a college can provide is provided on the award
- ▶ Families should compare all awards and contact the college with questions

Evaluating Awards

- ▶ If considering multiple colleges students may compare costs
- ▶ Focus should be on “direct costs” first and the amount of grant and scholarships offered
 - Direct Costs are owed expenses owed to the college
 - Tuition, fees, room, and board
- ▶ This would then leave a family with the “net price”
 - Could use educational loans or out of pocket funds

Special Circumstances

- ▶ Colleges can make individualized adjustments to FAFSA results if the following circumstances are documented:
 - Loss of income
 - Out of pocket medical expenses
 - Other circumstances determined by the college
- ▶ Students should check with the college for more specifics on this process

Types of Financial Aid

▶ Gift Aid

- Grants: Awarded to students based on financial need
- Scholarships: Awarded to students based on merit/achievement

▶ Self-Help Aid

- Loans: Available to students and/or parents
 - Must be repaid upon graduating or leaving school
- Student Employment: On-campus employment may consist of work-study or non work-study jobs

Final Tips

- ▶ Encourage students to be actively involved with the process
 - Don't hesitate to ask questions
- ▶ Don't eliminate colleges based on "sticker price" alone
 - Indicate as many colleges as they are interested in at the time of FAFSA completion

Questions / Contact Information

- ▶ Iowa College Access Network
 - (877) 272-4692
 - ICAN@ICANSucceed.org
 - Locations in Des Moines and Cedar Rapids
- ▶ Tim Bakula–University of Northern Iowa
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 - Tim.bakula@uni.edu