

## FAFSA Fact Sheet

The **Free Application for Federal Student Aid** (known as the **FAFSA**) is a form that can be prepared annually by current and prospective college students to determine their eligibility for financial aid.

### **Why should I fill out the FAFSA?**

Completing and submitting a Free Application for Federal Student Aid (FAFSA) is the single most important thing you can do to get assistance paying for college. The U.S. Department of Education uses the FAFSA to determine students' eligibility for federal student aid. Every year, the federal government awards about \$150 billion in the form of grants, work-study funds, and low-interest loans to help millions of students pay for college. Many state governments and colleges also use the FAFSA to determine eligibility for nonfederal aid. Unfortunately, some students feel like they shouldn't bother filling out a FAFSA because of some common myths. These include:

- “I (or my parents) make too much money, so I won't qualify for aid.”
- “Only students with good grades get financial aid.”
- “I'm too old to get financial aid.”
- “The form is too hard to fill out.”

Many types of federal student aid, such as the Federal Pell Grant or subsidized loans where the government pays the interest while you are in college, also require you to have financial need. Additionally, once you have a bachelor's degree or a first professional degree, you are generally not eligible for Pell or Federal Supplemental Educational Opportunity Grants (FSEOG). Other requirements may apply. Contact the financial aid office at your college for more information.

### **To be eligible to receive federal student aid, you must:**

- 1) Be a citizen or eligible noncitizen of the United States.
- 2) Have a valid Social Security Number. (Students from the Republic of the Marshall Islands, Federated States of Micronesia, and the Republic of Palau are exempt from this requirement.)
- 3) Have a high school diploma or a General Education Development (GED) certificate, or have completed homeschooling. If you don't, you may still be eligible for federal student aid if you were enrolled in college or career school prior to July 1, 2012. Go to <http://studentaid.ed.gov/eligibility/basic-criteria> for additional information.
- 4) Be enrolled in an eligible program as a regular student seeking a degree or certificate.
- 5) Maintain satisfactory academic progress.
- 6) Not owe a refund on a federal student grant or be in default on a federal student loan.
- 7) Register (or already be registered) with the Selective Service System, if you are a male and not currently on active duty in the U.S. Armed Forces. (Students from the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau are exempt from registering; see [www.sss.gov](http://www.sss.gov) for more information.)
- 8) Not have a conviction for the possession or sale of illegal drugs for an offense that occurred while you were receiving federal student aid (such as grants, work-study, or loans). If you have such a conviction, you must complete the Student Aid Eligibility Worksheet to determine if you are eligible for aid or partially eligible for aid.

### **To complete the Free Application for Federal Student Aid (FAFSA), you will need:**

- Your Social Security Number
- Your Alien Registration Number (if you are not a U.S. citizen)
- Your most recent federal income tax returns, W-2s, and other records of money earned. (**Note:** You may be able to transfer your federal tax return information into your FAFSA using the IRS Data Retrieval Tool.)
- Bank statements and records of investments (if applicable)
- Records of untaxed income (if applicable)
- An FSA ID to sign electronically.

If you are a dependent student, then you will also need most of the above information for your parent(s). At the end of your application, you and your parent (if you are a dependent student) must agree to the FAFSA certification statement and sign your application. The easiest way to sign your application is electronically using an FSA ID. You and your parent will need your own individual FSA IDs for your signatures to be applied. If you don't already have an FSA ID, you can create an FSA ID online.

The FAFSA should take less than one hour to complete depending on your answers and whether or not you have the necessary information available. You don't have to complete the entire FAFSA at one time. You can save the application for up to 45 days. If you start a FAFSA and decide you don't want to submit the FAFSA, you will also have the option to delete the application. But remember that it is necessary to determine your eligibility for federal student financial aid.

**Official FAFSA Website:** <https://fafsa.ed.gov/>

### **What types of aid are available?**

The U.S. Department of Education awards about \$150 billion every year to help millions of students pay for college. This federal student aid is awarded in the form of grants, work-study funds, and low-interest loans.

**Grants** are typically awarded on the basis of need and generally do not have to be repaid. There are four types of federal student grants:

- 1) **Federal Pell Grants** are usually awarded to undergraduate students who have not yet earned a bachelor's degree. (In some cases, students enrolled in postbaccalaureate teacher certification programs may receive Federal Pell Grants.) The maximum Federal Pell Grant award for the 2015-2016 award year is \$5,775; however, the actual award depends on the student's financial need, the college's cost of attendance, the student's enrollment status, and the length of the academic year in which the student is enrolled. Students can receive the Federal Pell Grant for up to the equivalent of 12 semesters.
- 2) **Federal Supplemental Educational Opportunity Grants (FSEOG)** are awarded to undergraduate students with exceptional financial need. The amount of the award is determined by the college's financial aid office, and depends on the student's financial need and the availability of funds at the college.
- 3) **Teacher Education Assistance for College and Higher Education (TEACH) Grants** are awarded to students who intend to teach in a public or private elementary or secondary school that serves students from low-income families. If the service requirement is not fulfilled, it could turn into a loan.
- 4) **Iraq and Afghanistan Service Grants** are awarded to students whose parents or guardians were members of the Armed Forces and died as a result of performing military service in Iraq or Afghanistan after Sept. 11, 2001. To qualify, a student must have been under 24 years of age or enrolled in college at the time of the parent's or guardian's death.

**The Federal Work-Study Program** enables students to earn money during the school year while also gaining valuable work experience, typically in part-time, career-related jobs.

**Loans** consist of money that the student borrows to help pay for college, and must be repaid (plus interest). There are two federal student loan programs:

- 1) The **Federal Perkins Loan Program** is a campus-based program that provides low-interest loans to undergraduate and graduate students. The amount of the award depends on the student's financial need, the amount of other aid the student receives, and the availability of funds at his/her college.
- 2) The **William D. Ford Federal Direct Loan Program** enables students and parents to borrow money at low interest rates directly from the federal government. The Direct Loan Program includes Direct Stafford Loans, which are available to undergraduate and graduate students, and Direct PLUS Loans, which are available to parents of dependent students and to graduate and professional-degree students. A Direct Stafford Loan might be subsidized or unsubsidized. Direct PLUS Loans are always unsubsidized. Subsidized loans are based on financial need and are available only to undergraduate students. The federal government pays the interest on subsidized loans while the borrower is in college and during deferment. Unsubsidized loans are based on the student's education costs and other aid received. The borrower must pay all accrued interest on unsubsidized loans.

**Other forms of financial aid** that might be available to students include:

**State government aid.** For more information, contact the state's higher education agency. You can find the state agency's contact information at [http://wdcrobcolp01.e.d.gov/Programs/EROD/org\\_list.cfm?category\\_cd=SHE](http://wdcrobcolp01.e.d.gov/Programs/EROD/org_list.cfm?category_cd=SHE). Aid from the college. Students should contact the financial aid offices at the colleges they are considering for more information.

**Scholarships.** Some states, local governments, colleges, community organizations, private employers, and other organizations award scholarships based on academic ability or other factors. For more information, visit [StudentAid.gov](http://StudentAid.gov).

**Tax credits** for education expenses. For more information about the *American Opportunity Tax Credit* and *Lifetime Learning Tax Credit*, visit <http://studentaid.ed.gov/types/tax-benefits>.