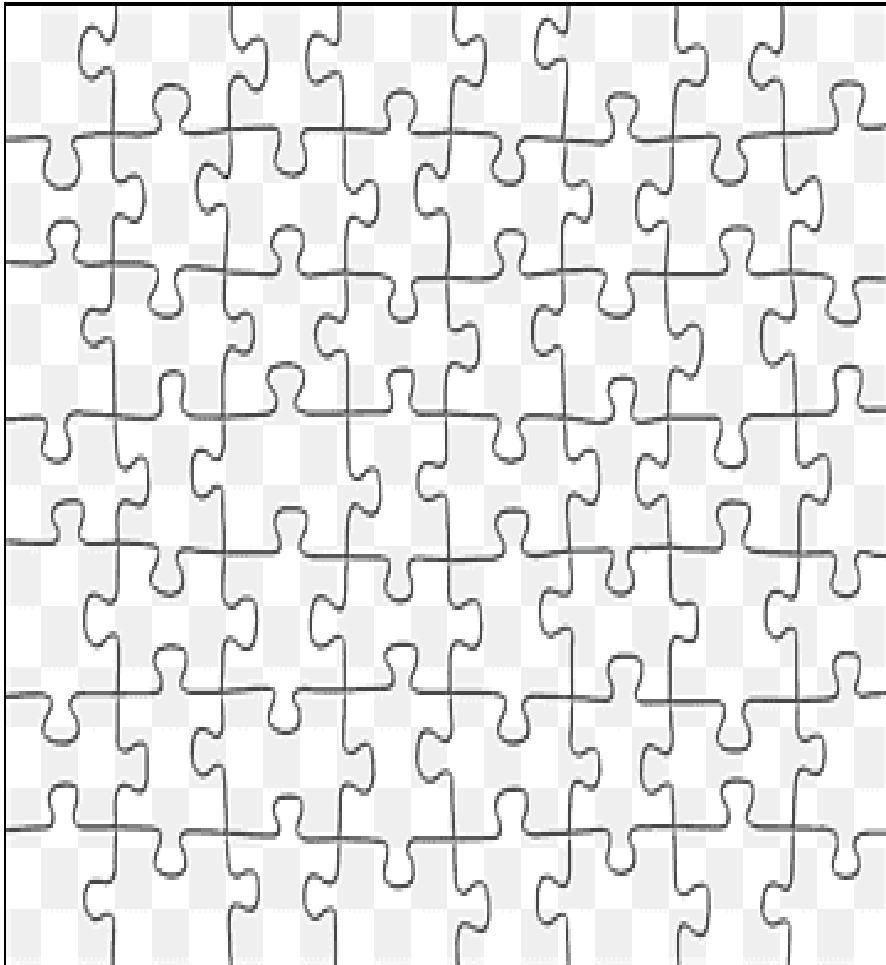


Solving the FAFSA Puzzle




*KASFAA Counselor Training 2020
Hosted By: Danielle Sullivan and
Leah Nicholson*

Puzzle Pieces



- FAFSA
 - Website and app
 - Changes to the 2021-2022 FAFSA
 - Common issues
- What happens next?
- Types of Aid
- Help for counselors and students
- Other presentations and dates

fafsa.gov

 An official website of the United States government.

[Help Center](#)

[English](#) | [Español](#)

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

[UNDERSTAND AID](#) ▾

[APPLY FOR AID](#) ▾

[COMPLETE AID PROCESS](#) ▾

[MANAGE LOANS](#) ▾



Complete the FAFSA[®] Form

Use the *Free Application for Federal Student Aid* (FAFSA[®]) form to apply for financial aid for college or graduate school.

New to the FAFSA[®] Process?

Completing the FAFSA form is free. Fill it out now.

[Start Here](#)

Returning User?

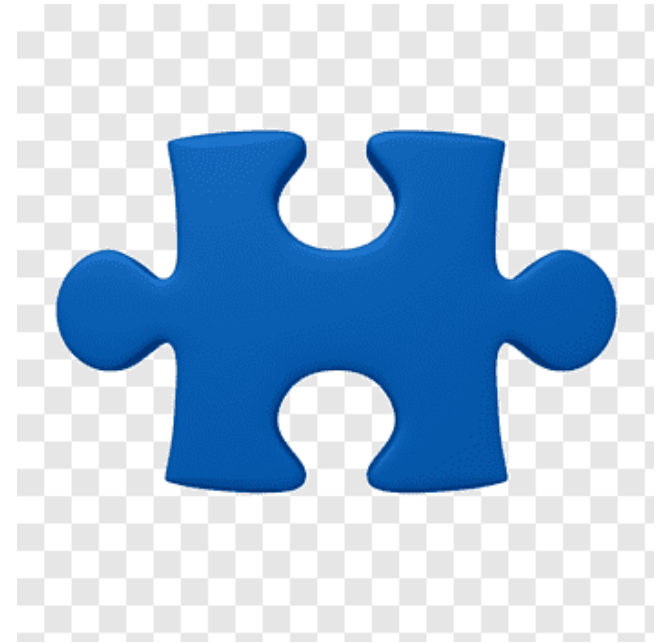
[Correct info](#) | [Add a school](#)

[View your *Student Aid Report* \(SAR\)](#)

[Log In](#)

Items for the students (and parents) to get started

- **Social Security Numbers**
 - student and parent(s)
- **FSA ID & Password**
 - Create before beginning the FAFSA
 - Student and parent will each need one
 - Valid non-school email and phone number for student and also for parent
- **2019 Financial Information**
 - Student and parent information (if dependent)
 - 2019 Federal Income Tax Return, W-2s, Bank Statements, Asset Information, Untaxed Income Information



FSA ID

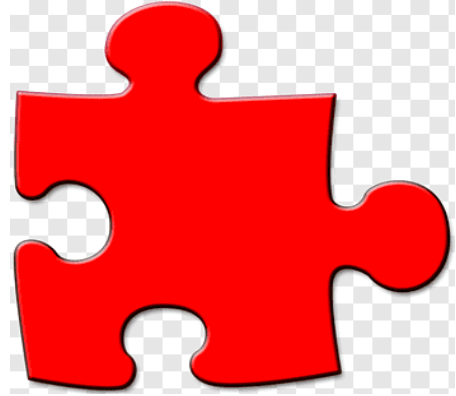
- Both parents and students can get their FSA ID now
- Each account must have a unique email address
- Only one parent needs to have an FSA ID

The screenshot shows the Federal Student Aid website interface. At the top right, there are links for 'English | Español' and a 'HELP' button. The main header features the 'Federal Student Aid' logo, with the text 'An OFFICE of the U.S. DEPARTMENT of EDUCATION' below it, and 'PROUD SPONSOR of the AMERICAN MIND®' to the right. Below the header is a 'Log in' section with instructions: 'Enter your username and password and select LOG IN if you already have an FSA ID. If you do not have an FSA ID, select the Create An FSA ID tab.' Below this is a navigation bar with three tabs: 'Log in to Source' (selected), 'Create an FSA ID', and 'Manage My FSA ID'. The main content area contains the text 'Please enter your:' followed by two input fields. The first field is labeled 'Username, Email, or Phone' and has a 'Forgot My Username' link below it. The second field is labeled 'Password' and has a 'Forgot My Password' link below it. At the bottom right of the form is a green 'LOG IN TO SOURCE' button.

Common Issues with FSA ID setup

- **Not providing or verifying an email address**
 - Email is not required, but will make retrieval difficult
 - Verifying email requires verification code and immediate access to their email
- **Parents/students creating each other's IDs**
 - SSN, DOB, Name and Email are linked together
 - Can only be used once (cannot create multiple IDs)





Changes to the 2021-2022 FAFSA

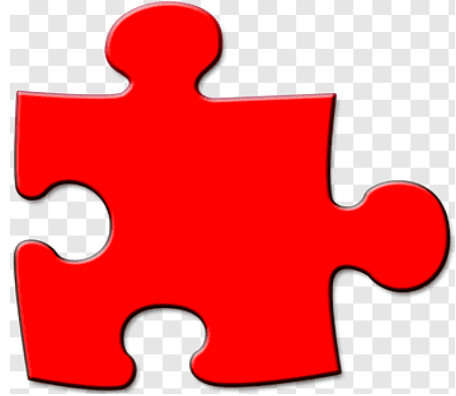
There are no major changes to the 2021-22 FAFSA

- The 21-22 FAFSA demo site will launch September 30, 2020. Screen shots and FAFSA4caster will be available late September.
- MyStudentAid mobile app now can be used for FSA id and submitting FAFSAs – new and renewal.
- Schedule 1
 - If a student/parent uses the IRS Data Retrieval Tool, it will now pull over whether or not the student/parent filed a schedule 1, and they will not be asked this question.
 - The Schedule 1 question was modified. Students/parents answer “yes” to the schedule 1 question if they filed a Schedule 1 for any reason other than to report: unemployment compensation, educator expenses, IRA deduction, student loan interest deduction, Alaska Permanent Fund dividend, or virtual currency.

Common FAFSA Issues



- SSN/DOB/Legal Name/Gender
- Dependent vs Independent Status
- Who is my parent?
- Household Size
- Undocumented Student/Parent(s)
- Reporting Untaxed Income & Assets
- Special Circumstances



SSN/DOB/LEGAL NAME/ GENDER

If a student's SSN, Name, and DOB do not match what the SSA has on file, the FAFSA will "reject"

- SSN -- If a student reports an incorrect SSN, this cannot be fixed. They will need to file a new FAFSA
- DOB -- Student can fix this by making a correction to their FAFSA
- Legal Name -- Student will put their name *exactly* how it appears on their social security card. A student can correct their name on the FAFSA
- Gender -- Male students must register for Selective Service. Students report the gender listed on their birth certificate.

Parents name/DOB/SSN also must match what SSA has on file. These can be corrected on the FAFSA

Dependent Vs. Independent

- Born before Jan. 1, 1998
- Veteran
- Active duty military
- Married
- Children or other dependents
- Both parents deceased
- Foster care after age 13
- Dependent/Ward of court after age 13
- Emancipated Minor
- Legal Guardianship
- Homeless or at risk of being homeless

What if these don't fit the student's situation?

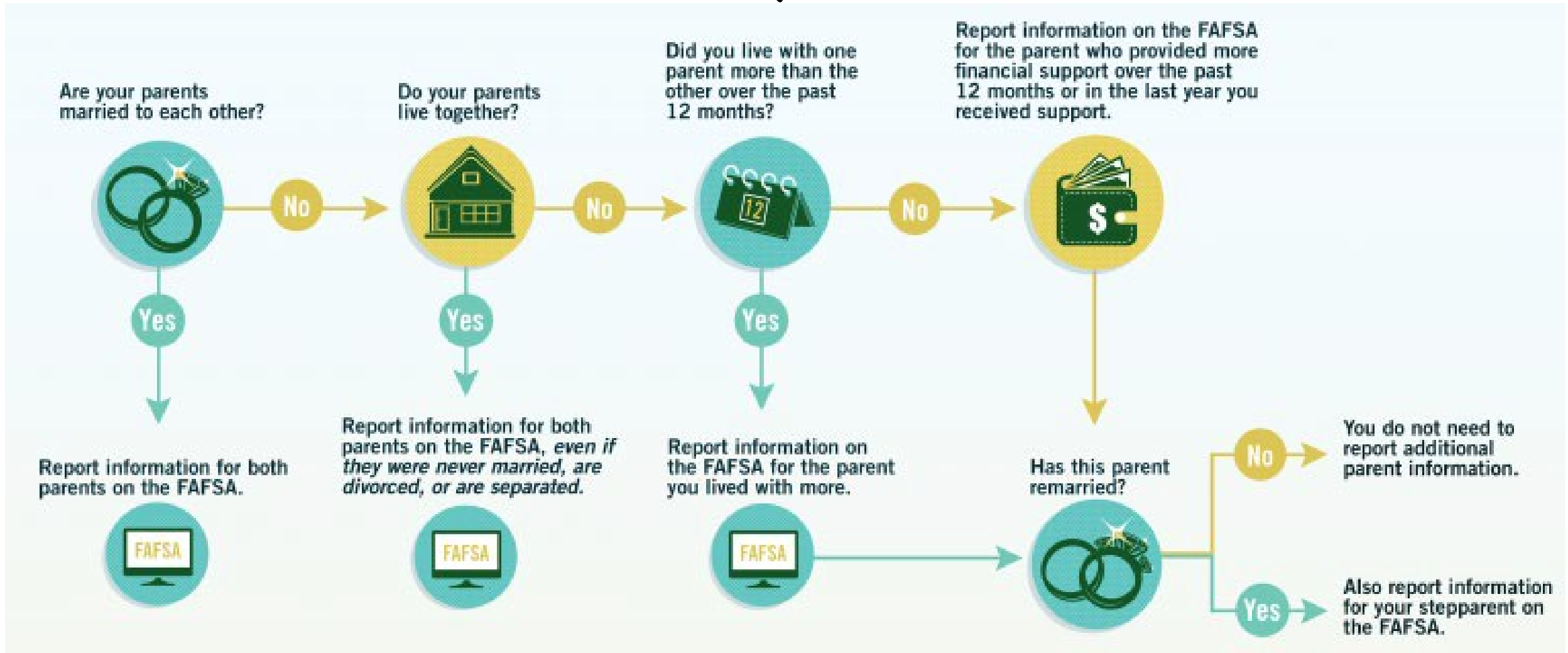


Dependency Override

- Student is not able to provide parental information due to special circumstances
- Student starts process with financial aid office
- Workshop on 11/18/20 will discuss scenarios in detail



Who is my parent?



The following people are not your parents unless they have legally adopted you:



Widowed Stepparent



Grandparents



Foster Parents



Legal Guardians



Older Brothers or Sisters



Aunts or Uncles

Household Size

- **Dependent Students**
 - Student
 - Parent(s)
 - Parent(s)' other children or other dependents they support
- **Independent Students**
 - Student
 - Spouse
 - Children or other dependents they support



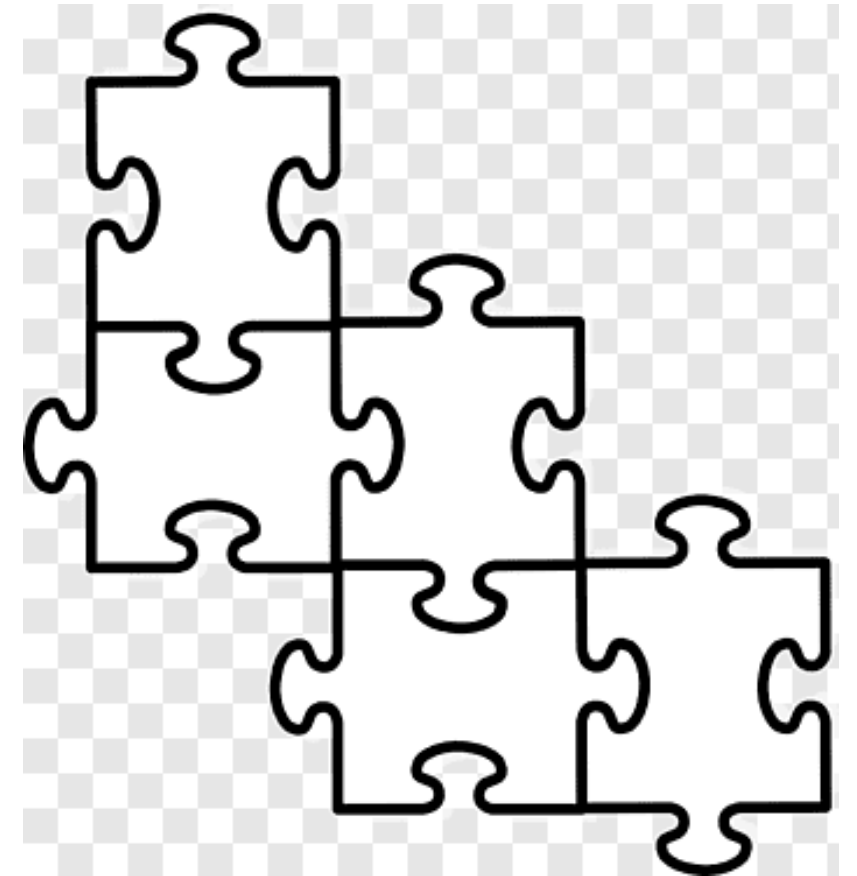
Undocumented Parents/Students

- **Undocumented Parent(s)**
 - SSN should be reported as 000-00-0000
 - Cannot obtain an FSA ID
 - Print Signature Page and mail to FAFSA processing
- **Undocumented Students/DACA Students**
 - Not eligible for federal financial aid (even w/ valid SSN). They are also not eligible for State of Kansas aid
 - Undocumented/DACA students who graduate from a Kansas HS may be able to qualify for in-state tuition at KS colleges
 - Undocumented/DACA students should not file a FAFSA unless they have confirmed with their school of choice that they want them to have one on file. Without a SSN, the FAFSA rejects, and cannot calculate an EFC. Many schools with a high undocumented/DACA population do not use the FAFSA to calculate financial need and have separate financial aid applications



IRS Data Retrieval Tool

- Links to the IRS for reported tax information
- Populates financial information pages for parent and student (if applicable)
 - Information populated is secure and will appear as “transferred” not as numbers/amounts
- Accurate tax records rather than estimates
- Reduces verification paperwork, if selected
- *change for 2021-22 – The IRS will transfer the Schedule 1 information to the FAFSA and the student will not have to answer “yes” or “no”



IRS Data Retrieval Tool

Students and parents answer eligibility questions on the FAFSA for the IRS tool

Page appears explaining eligibility - can click "Link to IRS" or "No Thanks"

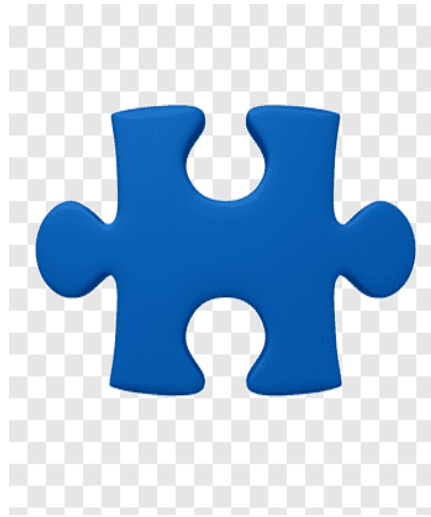
Transferred data will be hidden in fields after using the IRS tool

The screenshot shows the 'Parent Tax Filing Status' section of the FAFSA application. At the top, a progress bar indicates the following steps: Student Demographics (checked), School Selection (checked), Dependency Status (checked), Parent Demographics (checked), Financial Information (active), Sign & Submit, and Confirmation. Below the progress bar, a blue banner reads 'PARENT INFORMATION'. A green message box states 'Application was successfully saved.' Below this, a blue information box with an 'i' icon says 'Attention! You must provide financial information from your parents' 2016 tax return on the following pages.' Three questions follow, each with a help icon: 'For 2016, have your parents completed their IRS income tax return or another tax return?' with a dropdown menu set to 'Already completed'; 'For 2016, what is your parents' tax filing status according to their tax return?' with a dropdown menu set to 'Married-Filed Joint Return'; and 'Did your parents file a Puerto Rican or foreign tax return for 2016?' with radio buttons for 'Yes' and 'No' (selected). At the bottom of the section, a dark blue banner reads 'IRS Data Retrieval Tool'. Below this banner, text says 'Applying is faster and easier if your parents transfer their tax return information into this FAFSA with the IRS Data Retrieval Tool (IRS DRT)!'. A dark blue button labeled 'LINK TO IRS' with a double-headed arrow icon is positioned below the text. At the very bottom of the page, there are 'PREVIOUS' and 'NEXT' navigation buttons.

Assets and Investments

Report:

- Cash, Savings, Checking
- Rental properties
- Trust Funds, Money Market Funds, Mutual Funds
- Stocks, Bonds, CDs
- 529 plans
- Business Net Worth – more than 100 employees

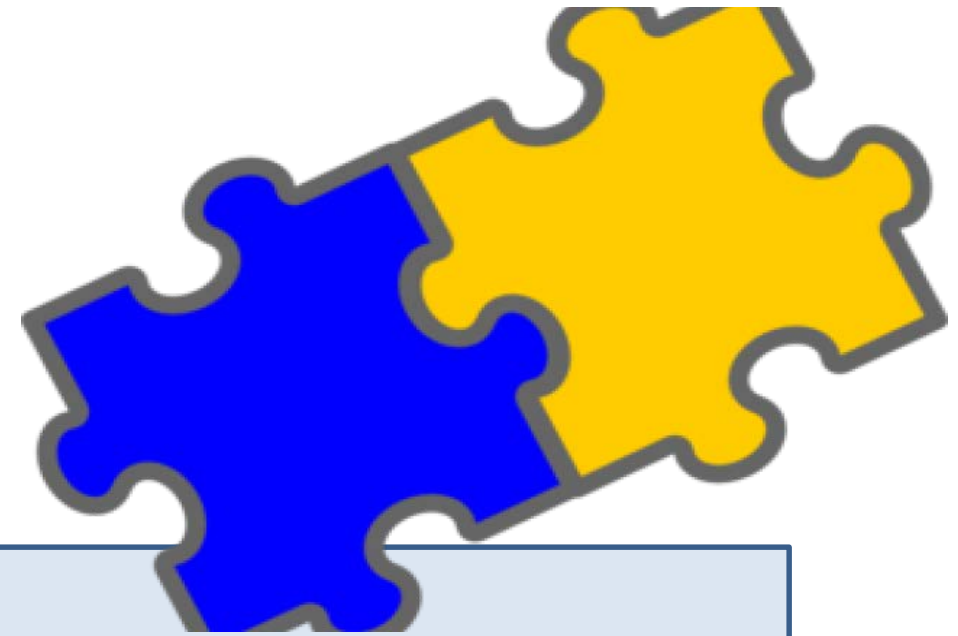


Don't Report:

- The value of the home you live in
- Value of life insurance or retirement plans
- Business Net Worth – 100 or less employees
- Family farm

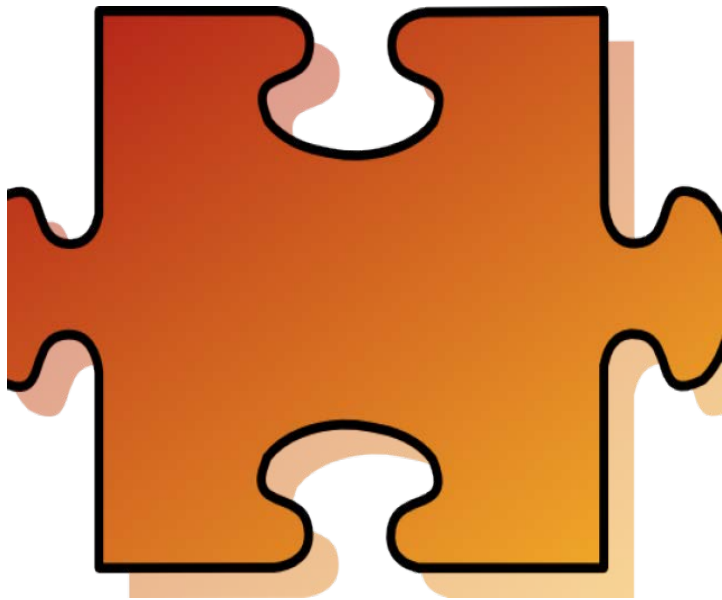
Net Worth = Current Value – Debt

Untaxed Income



Report:

- Child support received
- Untaxed portions of IRA distributions, pensions, and Health Savings Accounts
- Housing, food and other living allowances paid to members of the military, clergy and others
- Veterans non-education benefits
- Workers' Compensation
- Money received or paid on the student's behalf (bills) from someone not listed on the FAFSA



Untaxed Income

Don't Report:

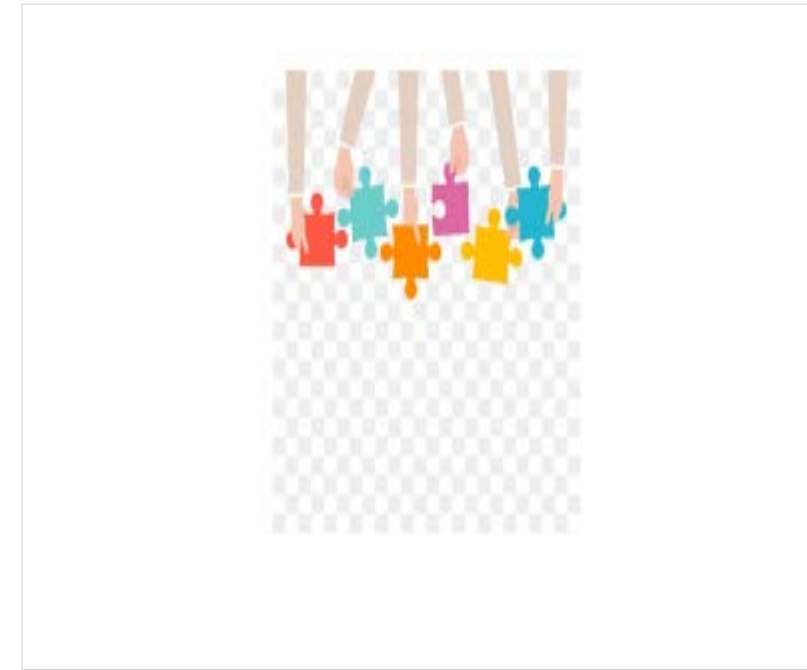
- IRA or Pension rollovers
- Value of on-base military housing or the value of a basic military allowance for housing.
- Student Aid
- Earned Income Credit
- Welfare Payments
- Untaxed Social Security benefits & Social Security Disability
- Supplemental Security Income
- Flexible Spending Plan benefits

Verification Process

- If FAFSA selected by the Department of Education or the school, verification must be completed before federal (and some state) aid can be disbursed
- If a student is selected for verification by the Department of Education, they are selected at every school
- Verification classifications and items to verify



Putting in your last piece of the puzzle...sort of...



Once the FAFSA is submitted...

1. Review the Student Aid Report (SAR) View in the myStudentAid app
2. Complete Verification, if selected

3. Financial Aid Offers

Earlier FAFSA = Earlier Offers?

Pay special attention to Priority Dates

Professional Judgement

- **FAFSA does not reflect current financial situation**

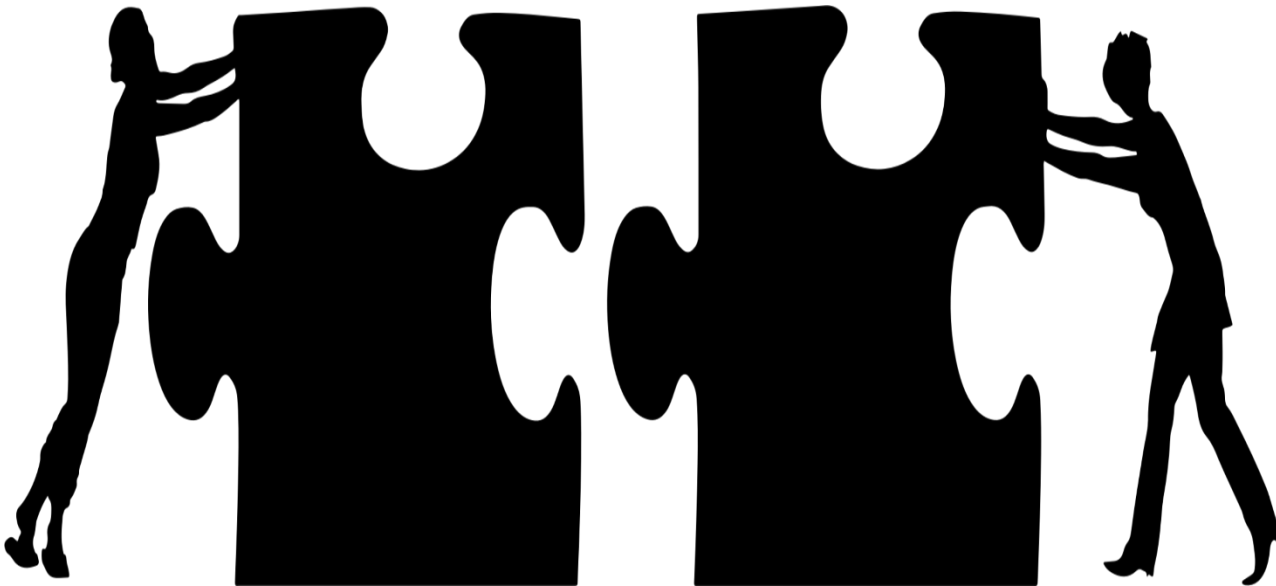
- Loss of Income or Resources
- Increase of Non-Discretionary Expenses
- Change in Marital Status
- Parent in College

- **Student cannot provide parental information**

- Dependency Override

- **Student/family starts this process with the financial aid office – after filing the FAFSA**

- Do not let students attempt to do this on their own.
- Schools differ on what they allow for professional judgement



Unique Student Situations & the FAFSA – November 18, 2020

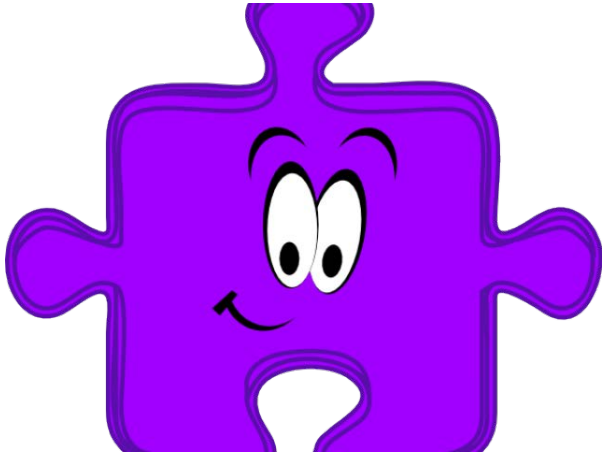
All Workshops will
be presented via



- Student cannot provide parental information
 - Homeless, Foster Care, Dependency Override
- Undocumented/DACA students/parents
- Change in financial circumstances
 - Loss of income/resources
 - Increased expenses
- Change in marital status



FAFSA Tips for Students (and Parents)



- Apply Early! Make sure you know your school's priority date
- Give yourself time to fill it out – 30 minutes
- Set up your FSAID & Password ahead of time
- Use the IRS Data Retrieval Tool
- Double check all your info—especially your SSN
- Look for alerts and messages
- Use the Help & Hints boxes throughout the FAFSA

What does the FAFSA do?

- Assesses a family's ability to pay for educational expenses, and determines what type of aid programs the student qualifies for
- Two Building Blocks
 - Cost of Attendance – determined by school
 - Expected Family Contribution – determined by FAFSA
- Some aid programs require financial need

$$COA - EFC = \text{Financial Need}$$



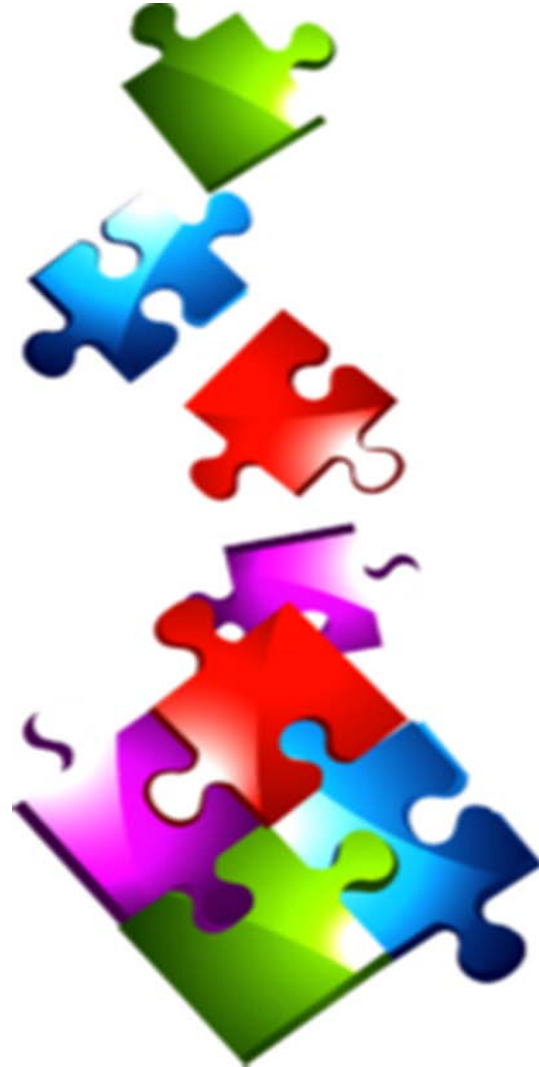
Types of Aid

Grants

- Federal Pell, TEACH, FSEOG
- KS Comprehensive Grant
- Institutional

Loans

- Federal
 - Subsidized, Unsubsidized, Parent Loans (PLUS)
- Private



Federal Work-Study

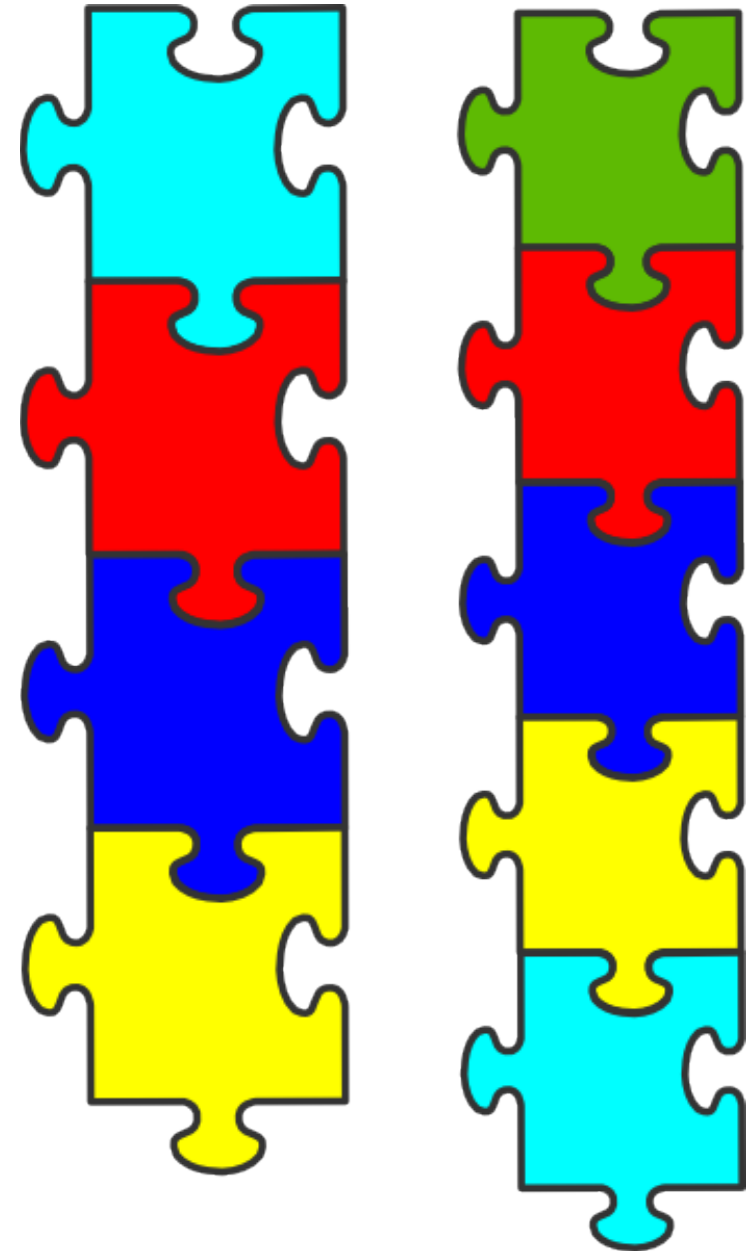
- Federal dollars paid in exchange for part-time employment on campus
- School comes first

Scholarships

- Institutional
- Private/Outside
- State/KBOR

Resources

- Studentaid.gov
- Financialaidtoolkit.ed.gov
- KSdegreestats.org
- KASFAA – kasfaa.org
- Net Price Calculators
- NASFAA – nasfaa.org



More Workshops Coming!!

All Workshops will
be presented via

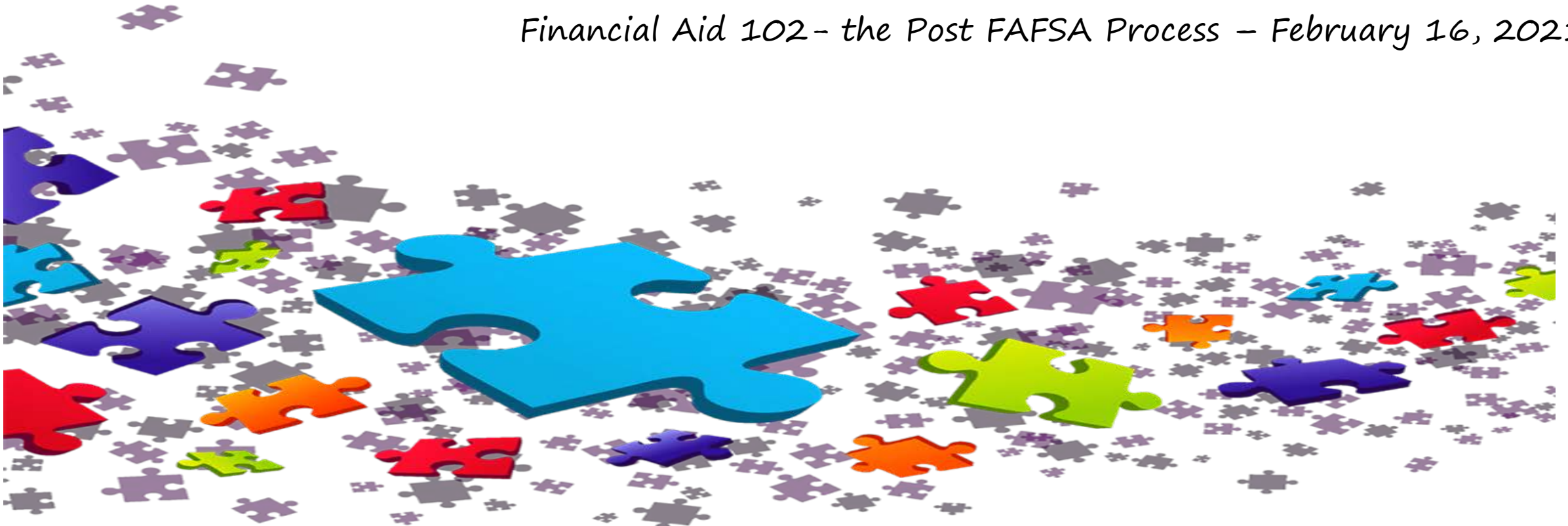


Exploring Scholarship Opportunities – October 21, 2020

Unique Student Situations & the FAFSA – November 18, 2020

Financial Literacy – January 13, 2021

Financial Aid 102 – the Post FAFSA Process – February 16, 2021



Questions?

Please complete your
evaluations!

Thank you for
attending via Zoom!

