

# THE FAFSA FUNDAMENTALS



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Applying for financial aid does not have to be stressful. SOAR can guide you through the process.



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# FINANCIAL AID COACHES

## AT SOAR

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At Soar, we understand that it is one thing to get accepted into your dream school, another thing to pay for it. Soar has a team of financial aid coaches available to assist our students (and their parents). Coaches are available for both Q&A and screen-sharing sessions to walk parents through the entire FAFSA application.

This document will provide an overview of the financial aid process and key terminology.

For more individualized attention regarding financial aid options for your family, please contact us at [Elisa@SoarTocollege.com](mailto:Elisa@SoarTocollege.com)





## What is the FAFSA?

The FAFSA, or the Free Application for Federal Student Aid, is a form that can be filled out annually by current and prospective college students in the United States to determine their eligibility for student aid. The FAFSA can be filled out by undergraduate and graduate students.

### FAFSA determines eligibility for the following:

#### 1. **GRANTS**

**a. Pell Grant**—Awarded only to undergraduate students who are determined to have an exceptional financial need, based on the FAFSA, and have not earned a bachelor's degree or a professional degree. Since it is a grant, it does not need to be repaid. The amount a student will receive, if eligible, is determined by the FAFSA.

**b. FSEOG**—The Federal Supplemental Educational Opportunity Grant, or FSEOG, is a program administered by the financial aid office at each participating school. Not all schools participate in this program. In order to determine eligibility, a student will need to fill out the FAFSA so each college can determine your eligibility for the grant. The amount a student will receive, if eligible, is determined by the FAFSA and whether or not the college participates in the program.





## 2. FEDERAL WORK STUDY

Federal work-study provides part-time jobs for undergraduate and graduate students with financial need, as demonstrated by their FAFSA. Federal Work Study allows students to earn money to help pay for educational expenses. Students can work on-campus or off-campus and the program is available to full-time and part-time students.



### 3. **LOANS**

#### **a. Direct Subsidized Loans—**

Loans made to eligible undergraduate students, as determined by the FAFSA, to help cover the costs of higher education. The school determines the amount a student can borrow. The U.S. Department of Education pays the interest on this loan while the student is in school at least half-time, for the first six months after a student leaves school, and during a period of deferment.

#### **b. Direct Unsubsidized Loans—**

Loans made to eligible undergraduate, graduate, and professional students. The student does not have to demonstrate financial need to be eligible. The school determines the amount a student can borrow. The student is responsible for paying the interest during all periods. The interest accrues on this loan during all periods, including a student's grace period.

#### **c. Direct PLUS Loans—**

Loans made to graduate or professional students and parents of dependent undergraduate students to help pay for educational expenses not covered by financial aid. The U.S. Department of Education is the lender and graduate/professional students or parents must not have an adverse credit history. Most schools require graduate/professional students and parents to submit a PLUS Loan Application on [www.studentloans.gov](http://www.studentloans.gov). Some schools have different application processes.



## 4. SCHOLARSHIPS

Almost every state has at least one grant or scholarship available to its legal residents. Eligibility is usually restricted to state residents attending an in-state college or university, but that is not always the case. There are typically deadlines for most of these programs. The eligibility for most of these scholarships or grants is determined by the FAFSA.

- a. Find out what scholarships are available in your state, [click here](#).
- b. State and regional tuition discount programs may also be available, [find out more](#).
- c. **HOPE and Zell Miller Scholarship**—The HOPE Scholarship is an example of merit-based state aid. State aid varies by each individual state. The Hope Scholarship is available for Georgia residents who are working towards a certificate or diploma at an eligible college or university in the state of Georgia. The HOPE Scholarship requires

students to meet the following basic requirements:

- meet U.S. citizenship or eligible non-citizen requirements
- be a legal resident of Georgia
- meet enrollment requirements
- be in compliance with Selective Service registration
- meet academic standards
- be in good standing on all student loans
- be in compliance with the Georgia Drug-Free Postsecondary Education Act of 1990
- not have exceeded the maximum award limits for any HOPE Program.





# The FAFSA provides you with 2 important pieces of information

## (1) EXPECTED FAMILY CONTRIBUTION (EFC)

The Expected Family Contribution (EFC) is an index number that the financial aid department uses to determine how much financial aid a student would receive if you attend that particular school. The information reported on the FAFSA is used to calculate the EFC. The EFC is calculated according to a formula established by law. A family's taxed and untaxed income, assets, and benefits (for example, unemployment and Social Security) are all considered in the formula. Family size and the number of family members who attend college or a career school during the year is also considered in the formula. It is important to note that a student's EFC is not the amount of money a family will have to pay for college. It is a number used by a school to calculate how much financial aid a student is eligible to receive.

## (2) HOW MUCH YOU NEED TO PAY TOWARD THE COST OF ATTENDANCE (COA)

The Cost of Attendance (COA) is the amount it will cost a student to go to school. Most colleges and universities will calculate a student's COA to show the total costs of attending the school. Typically, the COA is an estimate of tuition and fees, room and board, books, supplies, transportation, loan fees, miscellaneous expenses, childcare, disability, or any reasonable costs for study-abroad programs.







## DOES EVERYONE NEED TO COMPLETE THE FAFSA?

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Every student should fill out the FAFSA every year. By not filling out the FAFSA, students are missing out on a good deal provided by the U.S. Department of Education. Students could be eligible for federal and state grants that do not need to be repaid. Students could be eligible for low-interest student loans and work-study programs. Work study

programs can help students fund their education and build their resumes. Every student qualifies for some form of student aid.

In order to complete the FAFSA students have to be one of the following:





1. U.S. Citizen or U.S. National
  - a. Students are U.S. Citizens if they were born in the United States or certain U.S. territories, if students were born abroad to parents who are U.S. citizens, or if students have obtained citizenship status through naturalization.
2. Have a Green Card
  - a. Students are eligible if they have a Form I-551, I-151, or I-551C showing they are a U.S. permanent resident
3. Have an Arrival-Departure Record (I-94) from U.S. Citizenship and Immigration Services that shows the following:
  - a. Refugee
  - b. Asylum Granted
  - c. Conditional Entrant (valid only if issued before April 1, 1980)
  - d. Parolee
4. Have Battered Immigrant Status
  - a. "Battered Immigrant-Qualified Alien" if students are a victim of abuse by their citizen or permanent resident spouse, or a child of a person designated as such under the Violence Against Women Act
5. Have a T-Visa
  - a. Students are eligible if they have a T-Visa or a parent with a T-1 Visa.

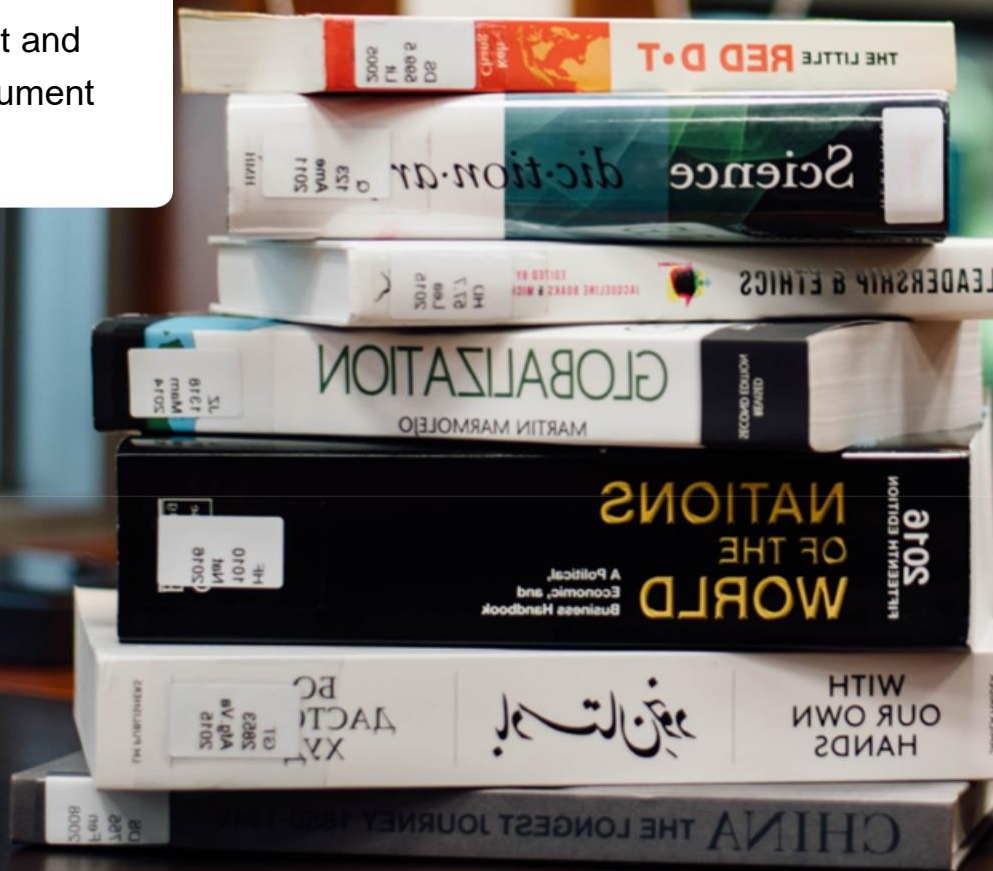




# HOW DO I COMPLETE THE FAFSA?

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The FAFSA website is [www.fafsa.ed.gov](http://www.fafsa.ed.gov). Students will need their social security number, alien registration number (if needed for non-U.S. citizens), federal income tax returns, W2s, and other records of money earned, bank statements and investment records, untaxed income records, and the student and parent's FSA ID to sign the document electronically.



# WHAT IS THE DEADLINE?

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The deadline for the FAFSA is June 30th. Students and families should fill out the FAFSA as soon as it opens on October 1st. Many grants and scholarships are on a first-come-first-serve basis. Most schools have funds that are limited, so students have a better chance of receiving those funds, if eligible, when their FAFSA is submitted early.







# FSA ID

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## 1. WHAT IS AN FSA ID?

- a. A username and password that students and parents must use to log in to certain U.S. Department of Education websites. The FSA ID identifies someone who has the right to access your own personal information on Department of Education websites such as the FAFSA. The FSA ID is used to sign legally binding documents electronically. Do not give your FSA ID to anyone or allow anyone to create an FSA ID for you.

## 2. WHO NEEDS AN FSA ID?

- a. Students
  - Students will need one in order to electronically sign your FAFSA form.
- b. Borrowers
  - Students and parents will need one in order to sign the Master Promissory Note, complete entrance and exit counseling, and apply for an income-driven repayment plan.
- c. Parents
  - A dependent student will need to have one of his or her legal parents sign the



student's FAFSA form.

Parents also need one to apply for a Direct PLUS Loan on [www.studentloans.gov](http://www.studentloans.gov).

- d. If a student or parent does not have a Social Security Number, they will not be able to create an FSA ID. Social Security Numbers are required. Students and parents will have the option to print a signature page from the FAFSA form to sign it.

### 3. **WHEN SHOULD YOU GET AN FSA**

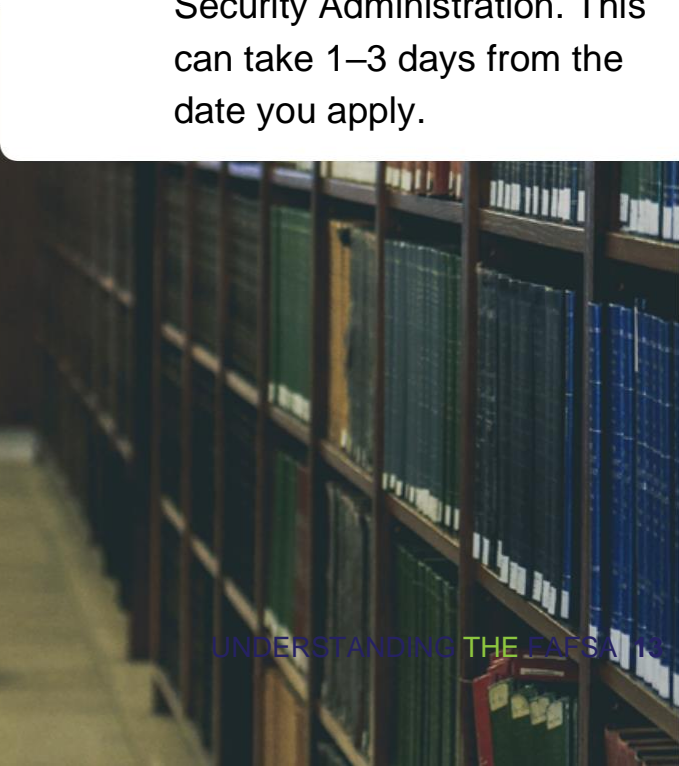
- a. As soon as possible. Students and parents can apply for an FSA ID at any time, but you will need to wait up to three days before you're able to use the FSA ID, so it is important to register early.

### 4. **HOW DO YOU GET AN FSA ID?**

- a. Go to the website [www.fsaidth.gov](http://www.fsaidth.gov).
- b. Enter your log-in information.
- c. Enter your personal information.
- d. Submit your FSA ID information.

### 5. **WHEN CAN I USE MY NEW FSA**

- a. Students and parents can immediately use their FSA ID's to sign an original, first-time FAFSA form, but nothing else. All other activities require that we match your information with the Social Security Administration.
- b. If you verified your email address, you will receive an email once your information is verified with the Social Security Administration. This can take 1–3 days from the date you apply.





# READY TO GET STARTED?

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Contact a financial aid coach at SOAR today and we will guide you through the entire FAFSA application.

[www.SoarToCollege.com](http://www.SoarToCollege.com)