

TIPS ON FILLING OUT THE FINANCIAL AID FORM

1. Instructions for filing the FAFSA are contained in this packet. Documents you will need to complete the form(s) are:
 - 2000 U.S. income tax return (IRS 1040, 1040A, or 1040EZ) for both parent(s) and student W-2 forms and other records of money earned in 2000.
 - Records of 2000 untaxed income, such as welfare, social security, or veterans benefits
 - Current bank statements
 - Current mortgage information
 - Records of stocks, bonds, and other investments
 - Student's driver license and Social Security Number
2. Read all the directions before attempting to fill out the form! It is suggested that you make photocopies of the form for practice before filling out the form.
3. You may use either a #2 pencil or pen with black or dark ink to complete the FAFSA.
4. While completing the FAFSA form, remember (as found on the first page of the FAFSA):
 - print carefully in CAPITAL letters and skip a box between words
 - do not write "N/A" or margin notes
 - round figures to the nearest dollar (as one does with taxes)
 - "school year" indicates the school year from July 1, 2000-June 30, 2001
5. After completing the form, photocopy each form for your records before filing; this will help greatly in future years, as you have to file for aid every year.
6. If applying to Illinois colleges as well as out-of-state schools, list the most expensive Illinois college first (#86). ISAC will only calculate MAP awards automatically for the first Illinois college listed.
7. SIGN AND DATE THE FORM – **BOTH** parent and student! (More forms are returned for lack of signature than any other error!)
8. Students must have a Social Security Number.
9. You will receive your green copy of the SAR (Student Aid Report) from the Central Processing System (CPS) approximately one month after filing.

When you make your final decision, make another photocopy of the SAR for your files before sending the final, corrected signed green SAR to the college your child will be attending. Even if you are ineligible for the Pell Grant, send the original to the college for their files.

10. If your financial situation changes drastically after the time you file the form (i.e. death, divorce, unemployment), call the Financial Aid Office of the college your child plans to attend to explain the situation.
11. Phone numbers you may need:

*ISAC (Illinois Student Assistance Commission) – for any state aid questions at 847.948.8550 or 1.800.899.ISAC.

SUBMITTING THE FAFSA: Two Options

There are two ways that students and parents can submit the FAFSA. Students and parents can choose between the paper application process or the electronic application process – FAFSA on the web. Only ONE process should be chosen by each family, depending upon your comfort level with cyberspace.

The Paper Application Process:

- Paper application available in the Guidance Resource Center (103A)
- To be completed as early in the 2001 calendar year as possible
- Completed FAFSA will be mailed to the Central Processing System (CPS). Each FAFSA will contain a self-addressed envelope with mailing address.
- The Student Aid Report (SAR) detailing the results of the FAFSA will be mailed back to the family within 4-6 weeks. Data will automatically be sent to the college/universities previously listed in questions #86 – 96 on the FAFSA.

The Electronic Application Process: FAFSA on the WEB (www.fafsa.ed.gov)

FAFSA completed and submitted on the internet

Best runs under Netscape Navigator 4.0 or higher or Microsoft Internet Explorer 4.0 or higher
Central Process System (CPS) downloads received information daily

There are two ways to sign an electronic FAFSA. The government is initiating a PIN (personal identification number) process for both students and parents, but unforeseen technical errors may prevent first-time filers from getting PINs. As this guide goes to press, we are unsure about your ability to get a PIN; however, we've included PIN information below. We suggest you try to obtain a PIN; if you are unsuccessful, either you will need to print the signature page at the end of the electronic FAFSA, sign it and mail it to the address shown on the page.

To Secure a PIN:

To request a PIN, go to the Web site www.pin.ed.gov. The student or parent will be required to provide his/her Social Security Number, the first two letters of his/her last name and his/her date of birth. Once the form is completed, select "Submit Request". The student or parent will be asked to confirm the address listed on the database. Once "yes" is indicated at the bottom of the page, a PIN will be mailed via the U.S. Postal Service in 7-10 days.

A PIN may be used for several different processes. A PIN allows a student or parent to:

- ✓ check on the status of the FAFSA application;
- ✓ electronically sign the *Free Application for Federal Student Aid (FAFSA)* on the Web; Renewal FAFSA on the Web, or make corrections on the FAFSA on the Web site;
- ✓ request a duplicate copy of the student's *Student Aid Report (SAR)*;
- ✓ access information about the student's financial assistance from the National Student Loan Data system (NSLDS) Web site;
- ✓ make updates to the address as to where the PIN is mailed; and
- ✓ make address corrections to a Federal Direct Loan account, calculate a repayment schedule and get interactive counseling on the deferment or forbearance for any Federal Direct Loans on the Federal Direct Loan Servicing Web site;

A PIN never expires, but may be changed if the security of the PIN has been compromised. Another copy of the PIN may be requested if the PIN number is forgotten.

*Federal Student Aid Information center

1.800.4.FED.AID – General Information (9:00-530 EST)

1.319.337.5665 – FAFSA Application Status, Duplicate SAR (9:00-8:00 EST)

(you will need name, social security number, date of birth)

*Internal Revenue Service (for a copy of your tax return) 1.800.829.3676 for form 4506. If you need information on exemptions, adjusted gross income, taxable incomes, taxes paid, call IRS at 1.800.829.1040.

12. International and non-citizen students should contact the Financial Aid Office of the college or university for specific information regarding financial aid. See page 2 of FAFSA instructions for more information.

TIPS ON COMPLETING THE FAFSA: Item Explanation

Below are item-referenced explanations of key terms and factors used in computing your total family contribution. **In the directions, the word “you” refers to the student; the word “school” refers to any beyond high school.** Dependent students (99.9% of you) will be filling in the green shaded areas of the form; parents will be filling in the purple shaded areas. Except where noted in directions, do not leave any items blank.

Item #	Explanation
1-3	Name – Please be sure to print your name exactly as it appears on your Social Security card. <u>This is very important.</u>
8	Social Security Number – A student <u>must</u> have a SSN in order to receive aid. The name you list on the FAFSA must be the same name as on your SSN card
11-12	Driver’s License Number – this provides a secondary identification source for the federal government.
24-25	State of Residence – The state of residence of a dependent student is the state of residence of the parent (s). Listing Illinois is vital for you to be eligible for Illinois Student Assistance Commission (ISAC) MAP dollars.
27-28	Selective Service (draft) Registration – If you mark “yes” here, <u>male</u> students will be registered for the draft automatically when they turn 18; male students must be registered for the draft in order to receive federal aid.
29	Degree - This item is informational only, not rigid or immovable. If you are planning to attend college for four years, you’re going to get a <u>Bachelor’s</u> degree, #1. If you are planning to attend a community college, enter either #3 or #4.
30	College Level - All high school seniors should mark box 0. “1 st year / never attended college. Possible AP credit does <u>not</u> mean you have already attended college.
33-34	Types of Financial Aid - This is simply a preferential question and is not binding. To see how much maximum aid you might receive, check the appropriate boxes. We encourage you to answer “yes” to both items.

- 35 **Drug Offense Conviction** - For the first time this year, the government may limit the amount of financial aid awarded to anyone who has been convicted of an illegal drug offense. Do not leave this item blank, as colleges need an answer from every student applying for aid.
- 40-47 **Income Tax Paid** This item asks for taxes actually paid, not withheld. (This is a key error many parents make!)
- 52-58 **Legal Definition of Dependent/Independent Student** - A student can only be classified if she/he meets at least one of the following requirements:
they were born before January 1, 1978 or are a
veteran of the U.S. Armed Forces or
a masters/doctoral student or
married or an
orphan (both parents dead) or ward of the court or have
legal dependents other than a spouse
Answering “no” to every part of questions 52-58 a (and 99% of high school students will answer “no”) means that you fill out the green and purple areas of the form.
- 60-63 **Parent’s Social Security Number** -- This item is part of a pilot plan to set up a data check with the Internal Revenue Service. Families should submit this data carefully and accurately because the government may be contacting the IRS for verification purposes.
- 64 **Parent’s household** – Includes student, parents, parents’ other children (if they live with parents) and other people if they live with parents in the household. See page 7 of the FAFSA for more specific information
- 65 **College Students in Family** – only you and other siblings going at least part time (usually 6 semester hours) to college do count here. Family contribution is divided by the number of college students in the family. Parents enrolled in college are no longer included in this item.
- 69 **Age of Older Parent** – Important for asset protection.
- 81-82 **Investments and Real Estate** – Don’t include information on your principal residence. This question pertains to: rental property, land, second or summer homes, trust funds, money market funds, mutual funds, CD’s, stocks, bonds, other securities, installment and land sale contracts, commodities, precious and strategic metals, etc. See instructions on page 2 of FAFSA.
- 83 **Cash, Savings, Checking Accounts** – Technically, this should be the amount in each of these accounts on the date you sign this form, so pay all your bills before completing the FAFSA! Seriously, list your average monthly balance under this item.
- 86-97 **College Release and Certification** – Be sure to list an Illinois school first for ISAC consideration; also, be sure to enter the proper code from the Federal School Code (formerly called the Title IV List) at the end of this pamphlet. A comprehensive list can

also be accessed on the Internet at www.ed.gov/offices/students/t5_codes.html

98-99 **Certification, Signatures and Date** - Be sure to have both student and parent(s) sign and date the form

100-102 **Preparer's Information** - Leave this section blank unless you have someone other than yourself complete the form

Worksheets You need to complete each worksheet to answer each of the items.

A B C

#44-46

78-80

FINANCIAL AID RESOURCES ON THE WEB

The Internet can be a valuable resource for financial aid information. Listed below are several Internet sites that provide the following information:

- ✓ types of aid available
- ✓ expected family contribution estimators
- ✓ loan repayment calculator
- ✓ scholarship searches
- ✓ the FAFSA online for electronic filing, which could speed up the processing time by up to 3-4 weeks and more!!!!

PLACES TO START:

www.isca1.org ISAC'S (Illinois Student Assistance Commission)

This homepage offers a wide variety of resources regarding Financial Aid. The site provides information ranging from general financial aid information, how to apply for aid, state and federal aid estimators, loan repayment calculators, financial aid sources, and so much more!

www.finaid.org/ The Financial Aid Information Page

Sponsored by the National Association of Student Financial Aid Administrators, this page provides links to many services of information about student financial aid. Also included is a "Scholarship Scam Alert", which is information about scholarship scams and how to avoid them.

www.fafsa.ed.gov FAFSA On-Line

FAFSA on the web is an interactive application that students and parents can use to apply for federal student aid over the Internet. FAFSA on the web runs under the browser, Netscape Navigator 4.0 or higher. Application software or special configuration of a modem is not needed. The latest version of Netscape Navigator can be downloaded free of charge at www.netscape.com/used-bin/download/index. Students and parents must sign the signature section and mail it in.

FINANCIAL AID TERMS TO KNOW

PARENT (in the case of divorce)

1. If legally separated or divorced, "parent" is the one who has legal custody of the student. If parents share custody, the parent with whom the child resides most during the calendar year is deemed the custodial parent. If the student lived with each parent an equal amount of time, the "parent" refers to the one who provided greater financial support during the year.

2. If this parent is remarried the income information of the **stepparent** will be included on the form.

VERIFICATION

1. The process of matching information on financial aid form with other documentation to determine accuracy of information supplied on financial aid form
2. Federal law requires all colleges to certify 30% of all financial aid applications (usually done by computer at some small schools, done by hand)
3. An Asterisk (*) on the SAR after the "EFC" in the top right corner flags you for verification.
4. IRS the source document for verification (as it is the source document when you file the form)
5. Verification is not an IRS audit!! Because of federal legislation, you may be selected for verification simply because the college must verify 30% - many small schools verify 100% of all financial aid applications.
6. If you are chosen for verification a Verification Worksheet will be mailed by the college or university. Some families are selected for verification because of questions about the selective service status of the student, a possible loan default, the social security number reported by the student, or the citizenship of a family member.

SAR – Student Aid Report

The green "Student Aid Report" you receive from the federal government in about four to six weeks, informing you of your eligibility for a Pell Grant; your EFC is also listed. See sample copy of SAR and explanation at the end of this packet.

EFC – Expected Family Contribution

The Expected Family Contribution is the estimate of a family's ability to pay based on a "snapshot" of a family's financial circumstances looking at income/assets of the student and parents. The FAFSA provides the "snapshot".

STUDENT CONTRIBUTION

A standard 35% of the student's savings and other and other assets is expected to be available to help meet educational expenses.

INDEPENDENT STUDENT is one who:

was born before January 1, 1978 or

a veteran or an

orphan or ward of the court or

has legal dependents other than a spouse or

is married or is

a graduate student.

therefore, virtually all high school students will be considered dependent for financial aid purposes