2022-2023
Financial Aid Presentation

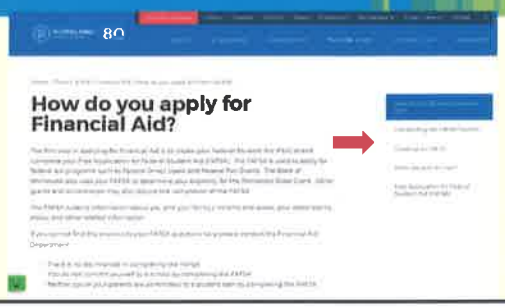
RIVERLAND
Community College

Presented by
Patty Hemann

Application Process & FAFSA

2

Tutorials Available



Federal General Student Eligibility Criteria

- Enrolled or accepted for enrollment in eligible program of study
- Pursuing recognized program
- U.S. citizen or "eligible non-citizen"
- High school diploma or GED

Removed 2021-2022

- Registered with Selective Service (males)
- Not convicted for sale of illegal drugs while receiving federal aid

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FSA ID

What is it, who needs it?

- Electronic signature and login for all FSA sites, including the FAFSA, TEACH, and student loan process
- Student **AND** at least one parent of dependent students
  - Parent uses the same FSA ID for all children and themselves if they are a student

Creating a FSA ID

How and where to create it?

- Within the FAFSA or at https://studentaid.gov/
- Use a unique email or cell number for each user
- Create username and password

FSA ID Name ~ DOB ~ SSN

Either a cell number or an email MUST be entered and confirmed to create a valid FSA ID

- IF you enter the email you must confirm the email during the creation of FSA ID
- IF you enter a cell number you must confirm the number during the creation of FSA ID

- Make sure the name, date of birth and social security number match the information exactly as it appear of the social security card
- If incorrect SSN is used, a new FAFSA must be filed with the correct SSN
- Dept. of Education will check to make sure the name, DOB and SSN match what is on file with social security administration

Free Application for Federal Student Aid - FAFSA

- Apply on-line at:

www.fafsa.gov or **https://studentaid.gov**

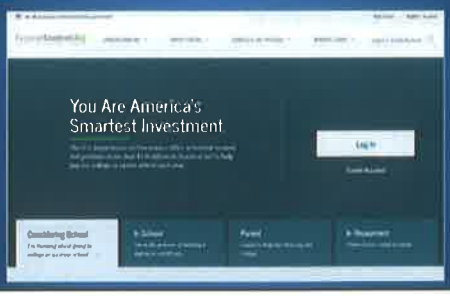
FAFSA and Taxes

If you plan to attend college from	FAFSA Filing Year	IRS Tax Year	Date to File
August 2021 – July 2022	2021-2022	2018	October 1, 2020
August 2022 – July 2023	2022-2023	2020	October 1, 2021
August 2023 – July 2024	2023-2024	2021	October 1, 2022

Applying for 2022-2023

- ***Submit FAFSA after October 1, 2021***
  - The earlier, the better
- College financial aid deadlines vary, some early
  - Posted on school web site

StudentAid.gov Home



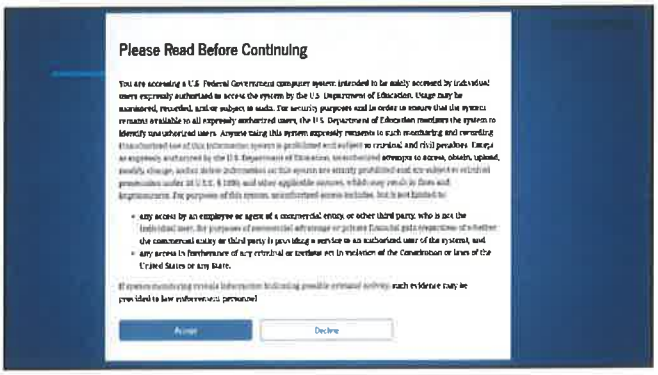
Apply for Aid

FAFSA® Form Welcome Page

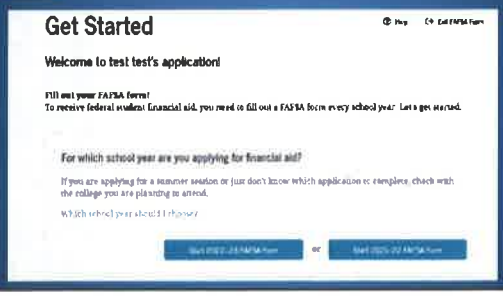
Role Selection

Role Selection

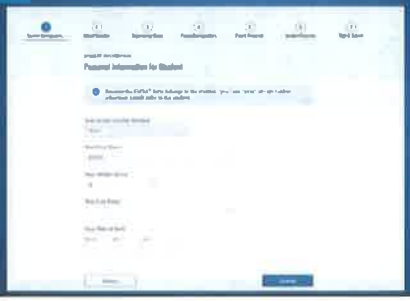
Log In Page



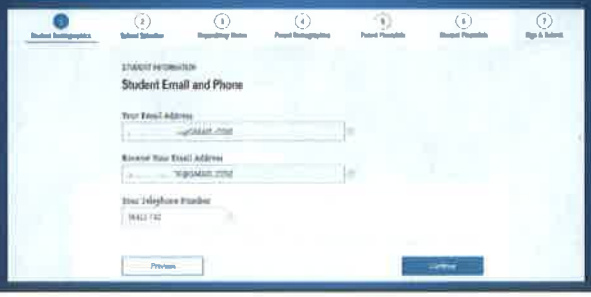
Select the year to complete



Personal Information for Student

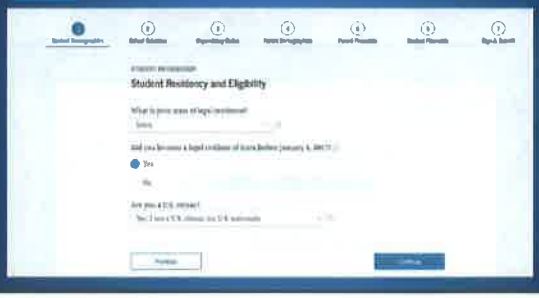


Student Email and Phone

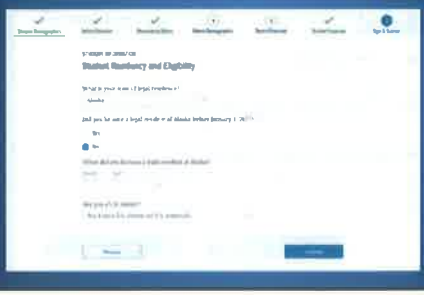


Student Address

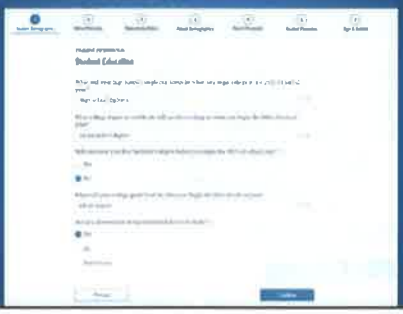
Student Residency and Eligibility



State of Legal Residence

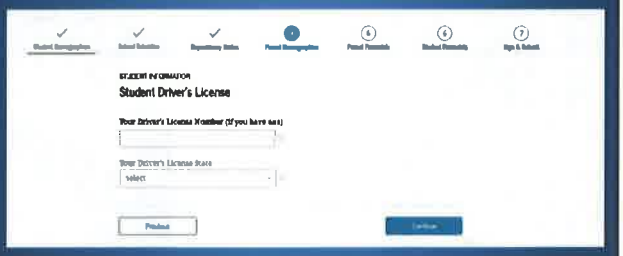


Student Education



Student Selective Service

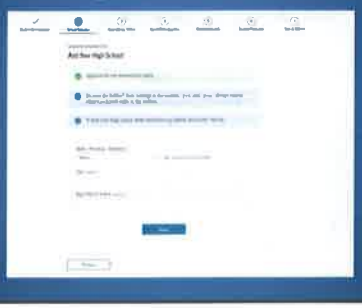
Student Driver's License



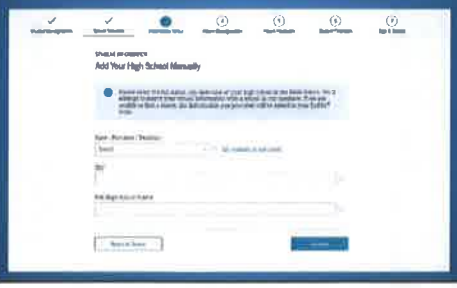
Student Foster Care and Parent Education Completion

Student Eligibility Worksheet

Search for High School

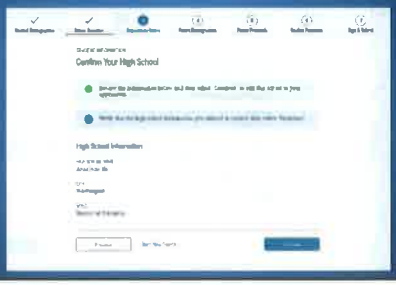


Add Your High School Manually

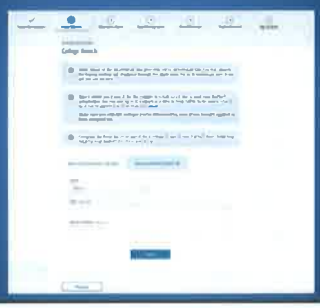


High School Search Results

Confirm Your High School



College Search



College Search Results

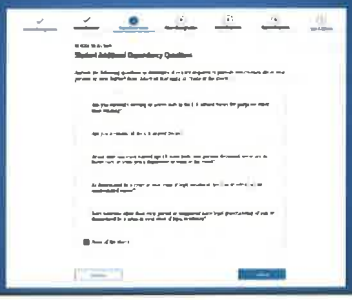
Search by Federal School Code

Selected Colleges and Housing Info

Student Marital Status

Does the Student Have Dependents?

Student Additional Dependency Questions



Student Homelessness Filter Questions

Dependent Student Status

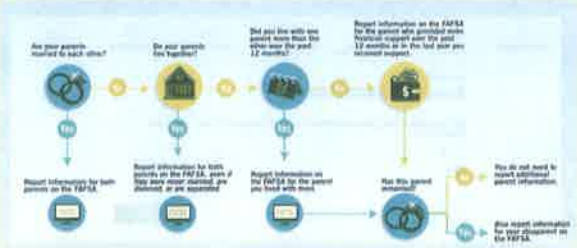
Criteria for Independent Applicant

- At least 24 years old by December 31st of the award year covered by the FAFSA
- Graduate or professional student
- Married (does NOT include cultural marriage)
- Has legal dependents who receive more than one half of their support from the student during school year (simply having a child does not make a student independent)
- On active duty or veteran of the U.S. Armed Forces
- Any time since turning 13 was/is an orphan, in foster care, or ward of the court
- Unaccompanied homeless youth as documented by:
  - (high school/district homeless liaison, authorized shelter administrator, financial aid administrator interview)

Whose Information Should I Provide?

Providing Parents' Information on FAFSA

Parent's Information



Providing Parents' Information on FAFSA

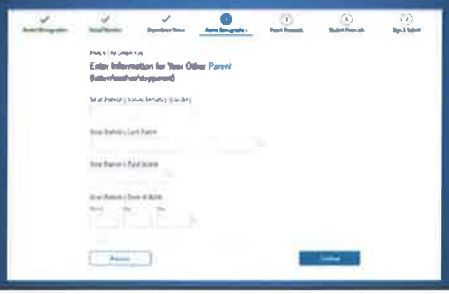
The following people are not your parents unless they have legally adopted you:

- **Grandparents**
- **Foster Parents**
- **Legal Guardians**
- **Brothers or Sisters**
- **Aunts or Uncles or any other relative**
- **Widowed Stepparent**

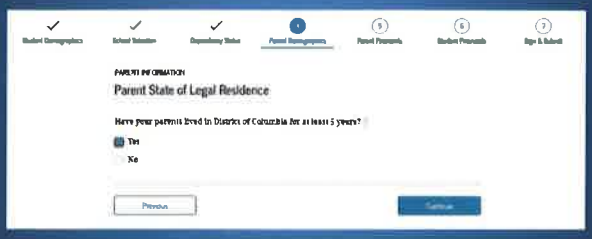
Parent Marital Status

Personal Information for First Parent

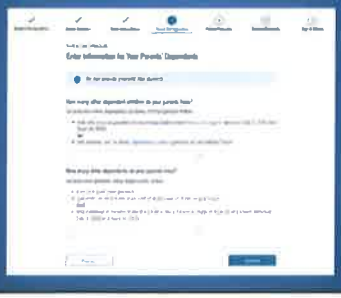
Personal Information for Other Parent



Parent State of Legal Residence

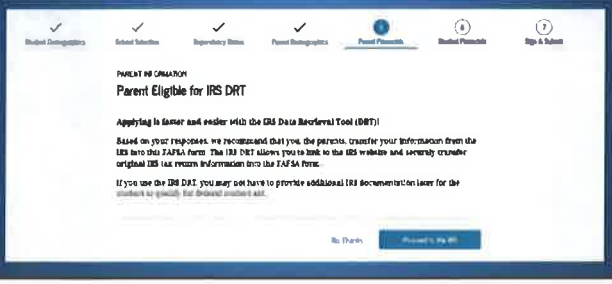


Enter Information for Your Parent's Dependents

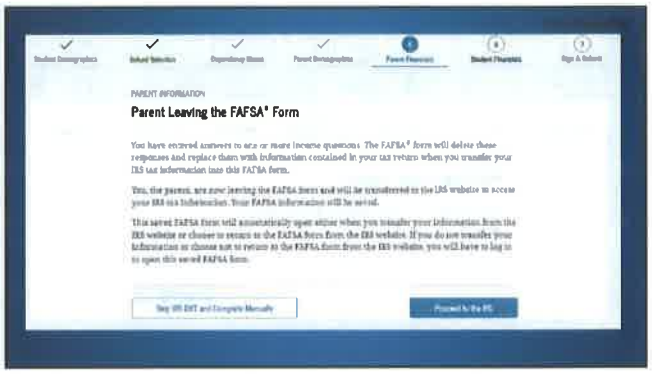


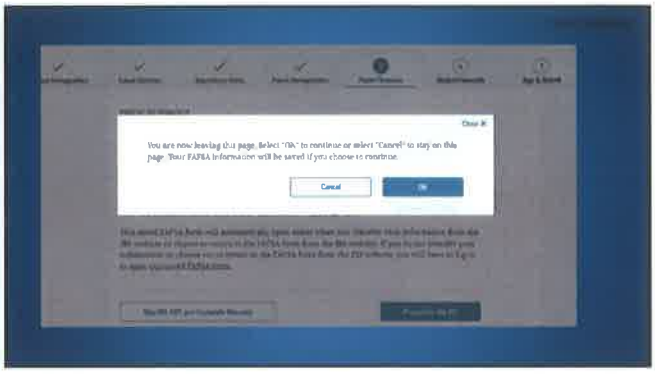
Parent Household Information

Parent Eligible for IRS DRT



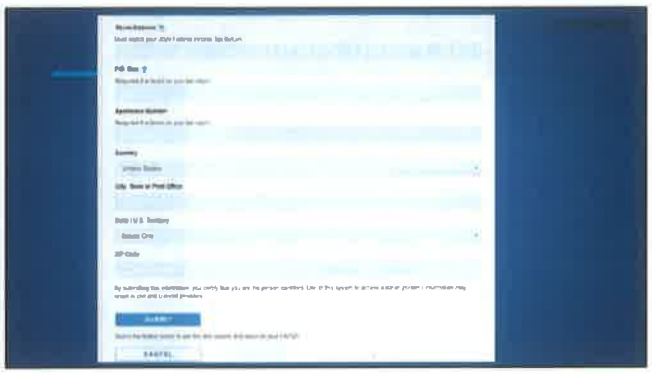
Parent Tax Filing Status


PARENT INFORMATION
Parent Leaving the FAFSA® Form


You are now leaving this page. Select "OK" to continue or select "Cancel" to stay on this page. Your FAFSA information will be saved if you choose to continue.
Cancel
OK

IRS
THIS U.S. GOVERNMENT SYSTEM IS FOR AUTHORIZED USE ONLY!
OK

IRS
Get My Federal Income Tax Information



2020 Federal Income Tax Information

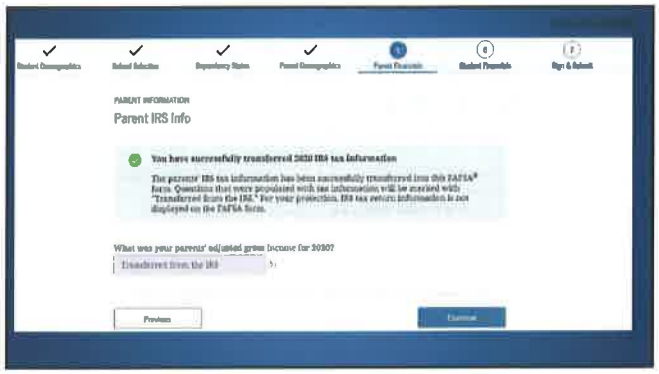
FAFSA on the Web IRS Data Retrieval

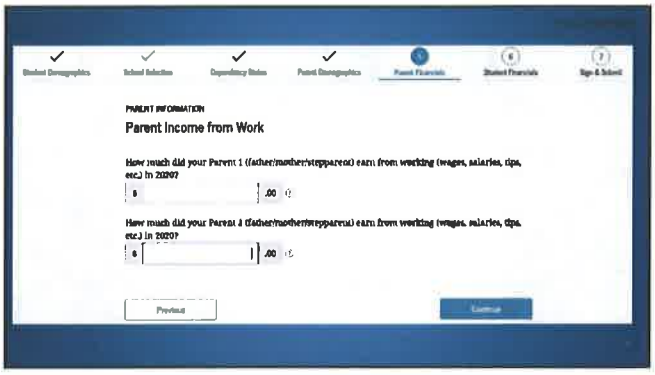
- Automatically transfers data from tax return to the FAFSA
- Approximately 84% of families are eligible to use the IRS data retrieval process to populate the FAFSA
- Who CAN'T use IRS data retrieval:
  - Married couples who filed separate tax returns
  - Filed tax return too recently
  - Applicants whose marital status changed since taxes were filed
  - Taxes due have not been paid for the 2020 tax year

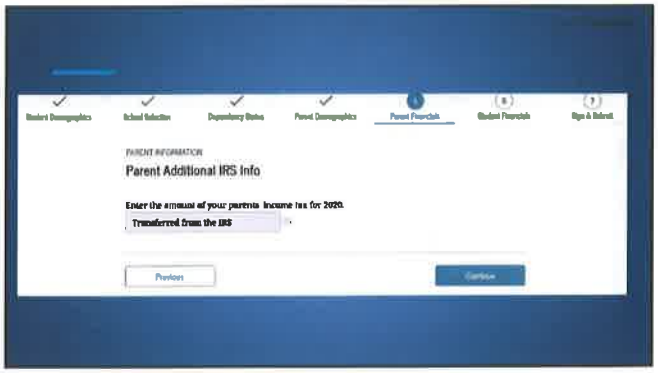
Items NOT populated by the IRS Data Retrieval

- Child support paid or received
- Earnings from work study programs
- Payments to tax deferred pension plans, refer to W-2
- Housing, food or living allowances ex. Military or clergy
- Veterans non-educational benefits
- Other untaxed income
- Other money received or paid on your behalf

Do NOT include any untaxed social security!!







PARENT INFORMATION

Parent Additional Financial Info

Please provide a valid response for all questions. If there is nothing to report, the answer should be zero.

Did your parents have any of the following items in 2020? Enter amounts for all that apply.

Child support your parents paid because of divorce or separation or as a result of a legal requirement. Don't include support for children in your parents' household.

$ 0 .00

Earnings from work under a Cooperative Education Program offered by a college

$ 0 .00

Taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships.

$ 0 .00

Parent Untaxed Income

Please provide a valid response for all questions. If there is nothing to report, the answer should be zero.

Did your parents have any of the following items in 2020? Enter amounts for all that apply.

Child support received for all children. Do not include foster care or adoption payments

$ .00

Housing, food, and other living allowances paid to members of the military, clergy, and others, including cash payments and cash value of benefits. Do not include the value of tax-free military housing or the value of a basic military allowance for housing

$ .00

Payments to tax-deferred pension and retirement savings plans (paid directly or withheld from earnings), including but not limited to amounts reported on the W-2 Form in Boxes 12b through 12d, codes D, E, F, G, H, and S. Don't include amounts reported in code DD (employer contributions to a employee health benefits).

$ .00

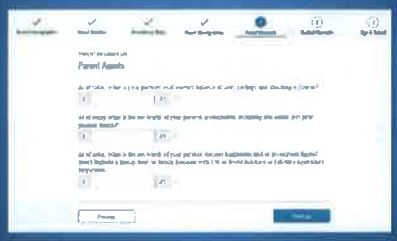
Veterans noneducation benefits such as Disability, Death Pension, or Dependency and Indemnity Compensation (DIC) and or VA Educational Work-Study allowances.

$ .00

Other untaxed income not reported, such as workers' compensation, disability benefits, etc.

$ .00

Parent Assets



Assets

Include	Do NOT include
Money in cash, savings and checking	Home you live in.
Investment farms	Retirement accounts (IRA, 401K, ROTH, SEP, Keogh, etc.)
Investments including CDs, stocks, bonds, mutual funds	Farm you own and farm (including land, livestock, machinery, etc.)
Rental real estate including land you own but do not farm	Business you own and operate if it employees less than 100
Trust funds	Value of life insurance
Business you don't operate	Cars

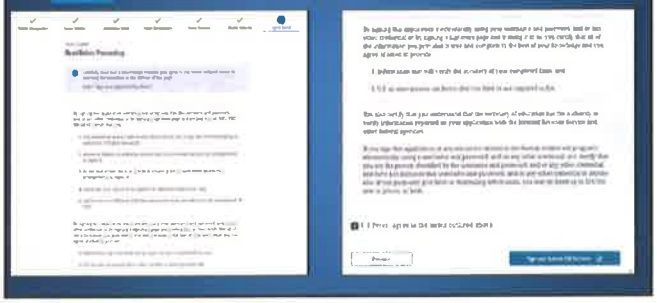
** The net worth of your investments is the amount left over after deducting the debt from the value of the investment.

** 529 Plans are listed as an asset under the owner of the plan.

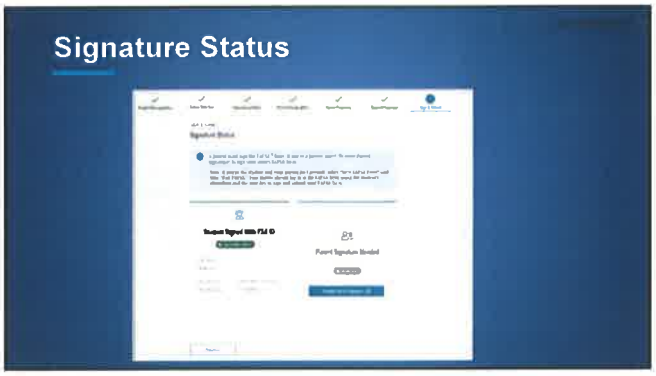
Student Tax Filing Status

FAFSA Summary

Agreement of Terms



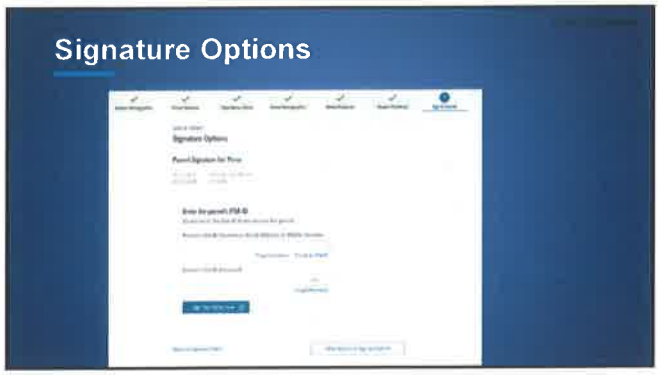
Signature Status



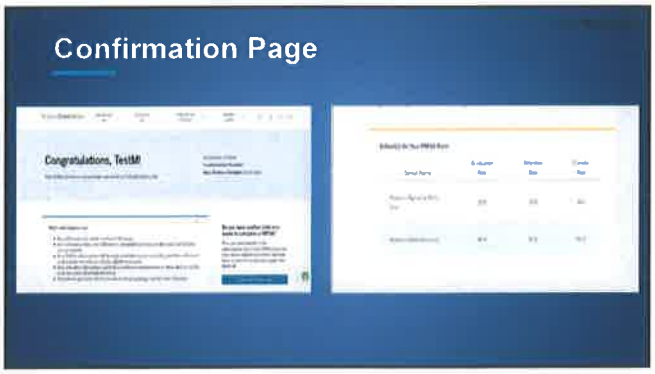
Parent Signature Selection

Agreement of Terms Dependent

Signature Options



Confirmation Page



Notification of access to the Department of Education's IRS Data Retrieval Tool

FAFSA Results

- Student notified of FAFSA processing results by:
  - E-mail notification with link to student's SAR (Student Aid Report) online if student's e-mail address provided:
    - FAFSA on the Web takes 1-2 days if electronically signed with FSA ID; 2 weeks if mailed in signature page
  - Dept. of Ed will mail the results if no email address was provided
- College receives FAFSA information electronically at the same time student receives SAR

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Corrections

- Go to: https://studentaid.gov/ and click on Log In to make any necessary corrections
  - Add a college
  - Correct FAFSA data items
  - Use IRS data retrieval

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Verification

- Dept. of Ed randomly choose a FAFSA for verification
- College is required to confirm information entered on the FAFSA
- For 2022-2023, items subject to verification are:
  - Number of household members
  - Number of household members in college
  - IRS data retrieval items from federal tax return
  - Income earned from work
  - High School Completion Status
  - Identity/Statement of Educational Purpose

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Professional Judgment

- Normally, a family's Expected Family Contribution (EFC) is based on income from previous tax year
  - For 2022-2023 academic year, tax year 2020
  - Financial aid administrators can use their "professional judgment" to alter data on the FAFSA for special circumstances
- Adjustments are performed as corrections after the original FAFSA is submitted and verified

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What is a Dependency Override?

- Gives financial aid administrator authority to allow otherwise dependent applicant to apply as independent applicant due to unusual circumstances
  - Parental abuse, abandonment, incarceration, etc.
  - Not used simply because student lives outside parent household after age 18 or parents object to providing data
- Must be supported by documentation by someone outside immediate family
- Student should contact financial aid office for instructions

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Completing FAFSA Without Parental Information

- For students who don't qualify for a dependency override but can't provide parental information:
  - Will have the option to submit the FAFSA for an unsubsidized loan only
  - FAFSA on the Web will present a path that allows the applicant to indicate that he or she will not provide parental data on the form and will allow the applicant to submit the FAFSA
  - School will later require statement from one parent that parents refuse to complete the FAFSA and do/will not provide financial support to the student

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Award Notification

- Student should receive award notice from each college listed on the FAFSA once admitted to college
  - All other required paperwork must be completed
- Financial aid varies depending on the cost and mix/composition of financial aid available
  - Pell grant is ALWAYS the same amount at all colleges
- Confirm credit level for awards
- Compare net costs after grants and scholarship

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Sources of Financial Aid

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Federal Grants & Scholarships 2021-2022

Name	Application	Amount	Eligibility
Pell Grant	FAFSA	$639 - $6,345 Award does not vary with price of college	EFC < $5,576 Limited to 6 FT years of receipt.
FSEOG	FAFSA	Up to $4,000 Average $700	Low-EFC Pell Grant recipients. Limited funding.
TEACH Grant	FAFSA + TEACH Agreement	$4,000	Not need-based. Becomes loan if 4-year teaching requirement not met.

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State Grants & Scholarships 2021-2022

Name	Application	Amount	Eligibility
MN State Grant	FAFSA no later than 30th day of term.	$100 - $11,753 Avg: $1,800	Higher income ranges than Pell. Varies based on price of college. Limited to 4 years of attendance.
MN Indian Scholarship	FAFSA + On-line program application. Priority deadline July 1.	Up to $4,000 undergrad; $6,000 graduate	¼+ American Indian ancestry. Show need for Pell or State Grant.
Postsecondary Child Care Grant	FAFSA + Paper program application available at college.	$100 - $6,200 per child for FT student. Less if PT.	Based on income and household size.
MN GI Bill	FAFSA + On-line program application prior to end of term	$3,000 Year	Cost minus Pell Grant, State Grant, Federal military benefits. Military service requirements.

Institutional Scholarships/Grants

- Scholarships or grants received from the college the student is attending
- Additional application, tryout or audition may be necessary
- Variety of:
  - Need-based
  - Merit
  - Athletic
  - Other talent-based scholarships

Private Scholarships

- Student should check with local businesses, civic organizations, parents' employers
- Free internet search sites:

  www.collegeboard.com/pay

  www.fastweb.com

  www.studentscholarshipsearch.com

  www.gocollege.com

  www.finaid.org

  www.scholarshiphelp.org

Federal and State Work Study

- Job a student holds but is paid with funds from financial aid
- Employment may be on or off campus – resume builder!
- Undergraduate or graduate students are eligible
- May work during summer
- Wages won't count against student's future financial aid eligibility on FAFSA

Direct Federal Student Loans

- All Stafford, PLUS and Consolidation loans Direct loans
  - Lender is federal government
  - School packages loan on campus and requests funds from federal government
  - Federal government contracts with private contractors to service loans
- NO credit check or employment history
- All students taking 6 or more credits are eligible

Federal Student Loans

- Subsidized: Must demonstrate "need"
  - Interest paid by government while in college
- Unsubsidized: Need is not a consideration
  - Interest not subsidized by government
- Base annual loan limits (combined sub and unsub)
  - $5,500 for 1st year undergrad
  - $6,500 for 2nd year undergrad
  - $7,500 for each remaining undergraduate year
  - $20,500 for each year of graduate/professional study (no more than $8,500 subsidized)
- Annual limits for undergraduates can be increased by $4,000-$5,000 for independent students or dependent students whose parents are unable to borrow PLUS loan

PLUS Loans

- Parent loan – Parent is the borrower, student is not responsible for repayment
- Annual loan limit: cost of attendance minus other aid
- Repayment begins 60 days after loan is fully disbursed OR can defer until 6 months after student no longer enrolled half-time
  - Interest is capitalized during deferment unless paid

Alternative Loans

- Alternative loans are available from many different sources.
- Be very careful when requesting an alternative loan that you know the interest rates, fees and terms of the loan.
- Alternative loans should only be requested as a last resort.
- Contact college you are attending if you need additional loan funds.

Tuition Reciprocity

- Allows MN residents to attend in neighboring states at rate similar to MN resident rate
- More information and to apply:

https://www.ohe.state.mn.us/mPg.cfm?pageID=120

- Reduced rates for MN residents attending select schools in Illinois, Michigan, Missouri, Kansas, Nebraska under Midwestern Student Exchange Program (MSEP)

Higher Education Tax and Savings Incentives

Federal Higher Education Tax Advantages

- American Opportunity Tax Credit
  (formerly Hope Tax Credit)
- Lifetime Learning Tax Credit
- Tuition and Fees Deduction
- Penalty Free IRA Withdrawals
- Coverdell Education Savings Account
- Student Loan Interest Deduction

Remember!

- A new FAFSA needs to be filled out for each academic year

Where do I go from here?

- Obtain and review admission and financial aid materials from each school to which you are applying
- Meet all application deadlines
  - Complete FAFSA and any other application materials required by the school or your state agency
- Investigate other sources of financial aid

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Thank you!!