



Understanding the FAFSA

The Free Application for Federal Student Aid, aka the FAFSA, is the single most important thing you can do to get money to help pay for college. It's the only way you can apply for federal or state financial aid. The FAFSA will determine your eligibility for grants, scholarships, work-study programs, and federal student loans.



Here are some important tips about the FAFSA:

- It's the gateway to more than \$150 billion in grants, work-study funds, and federal student loans.
- Almost every student is eligible for some form of financial assistance. Don't assume you aren't eligible for aid because your family's income is too high or you have too much in savings. Income and savings aren't the only determining factors.
- If you're applying for college in the fall, you can file your FAFSA as early as October 1 the previous year. The deadline for submitting it is June 30 of the following year. Some colleges have specific deadlines too. Be sure to find out when the colleges you're applying to need your completed FAFSA. Some aid is awarded on a first-come, first-served basis...don't miss out!
- You need to file a new FAFSA each year you're in college. It's the only way to stay eligible for federal and state aid. Don't assume the decision—or the amount or type of aid—will be the same from year to year.

Getting ready to fill out your FAFSA

You will need to provide personal information to complete the application. If you're a dependent student, you must report your parents' information as well as your own. For more information on determining if you are a dependent student visit the Federal Student Aid website.

This checklist will help you pull together everything you need for filling out the application before you begin.

INFORMATION CHECKLIST

- Your driver's license and Social Security number
- You may need your parents' Social Security numbers and birthdates
- Your family's latest federal income tax returns
- W-2 forms
- Bank statements from checking and savings
- Investment information for things like mutual funds and other assets

IMPORTANT TIP: The IRS Data Retrieval Tool can automatically import your tax information into your FAFSA, which really speeds up the process of reporting your tax information.

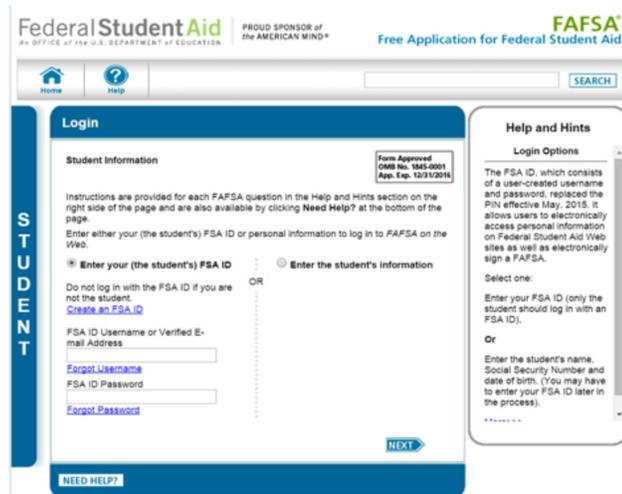
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Assets you must include on the FAFSA:

- Rental properties, land, and second or summer homes
- Trust funds
- Uniform Gifts for Minors Act (UGMA) custodial accounts
- Uniform Transfer to Minors Act (UTMA) custodial accounts
- Money market funds, mutual funds, and CDs
- Stocks, stock options, and bonds
- Other securities
- Installment and land sale contracts (including mortgages held)
- Commodities
- 529 savings plans
- Coverdell Education Savings Accounts

Assets you can't include in the FAFSA:

- Principal place of residence/family farm
- Small business with 100 or fewer employees
- Value of life insurance
- Retirement plans (401(k) and SEP plans)
- Pension funds
- Annuities
- Non-education IRAs
- Keogh plans
- Personal possessions (car, furniture, clothes, etc.)



Getting started

1. Go to [FAFSA.gov](https://fafsa.gov) to create your Federal Student Aid ID (FSA ID). (You'll need an email address to use this.)

The FSA ID is a secure, unique ID that you'll use to log in to the site so you can fill out the FAFSA. The FSA ID is also used to electronically sign your application at the very end of the process. The FSA ID will be attached to a username and password that you create to log in to the Department of Education website.

Once you have your FSA ID set up you won't need to enter your Social Security number or other personal information to log in. Don't share your FSA ID with anyone, and don't let anyone else create one for you. If you are a dependent student, your parents will also need to create their own FSA ID.

2. Fill out the application

Follow the instructions to fill out the application. There are explanations for every question to help clarify what they are looking for. Take your time and be sure to complete all the information required.

A few things to keep in mind

- You'll need to list at least one college or career school on your FAFSA. If you don't know which schools you'll be applying to, list the ones you're considering. You can always add more schools later (up to 10 total) by updating your FAFSA.
- Schools you list will automatically receive your FAFSA results electronically. Each one will use your information to determine what, if any, types and amount of financial aid they may offer you.
- Proofread your FAFSA carefully before you submit it.
- The easiest and fastest way to file the FAFSA is online with your FSA ID. Your application will be processed within a few days. You can also check out the myStudentAid mobile app to apply.
- If you're on a site that asks you to pay to file the FAFSA, you're on the wrong site. As the name states, this is a FREE application. Only go to [FAFSA.gov](https://fafsa.gov).



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What happens next?

If you filed your FAFSA online, you can immediately check the status by using your FSA ID to log in to [FAFSA.gov](https://fafsa.gov). Between three days and four weeks after you submit your FAFSA, the Office of Federal Student Aid at the Department of Education will send you a Student Aid Report (SAR). That report summarizes the FAFSA data you submitted and gives you basic information about your eligibility for federal financial aid. It also gives you a chance to review and correct the information listed on your FAFSA, if you need to.

If you included your email address on your FAFSA, you'll receive an email with instructions on how to access your SAR online. Otherwise, you'll receive your SAR in the mail.

Understanding your Student Aid Report (SAR)

It's important to have an accurate SAR since your financial aid award letters are based on the information listed in your report. Review the SAR carefully with your family and compare the information listed to a copy of your FAFSA.

Schools that you've listed in your FAFSA will have access to your SAR data electronically within one day after it's processed.

These are the five key pieces of information in your SAR that deserve the most attention:

Expected Family Contribution (EFC)

Your EFC is an index number that your school uses to determine how much financial aid you're eligible for. Your EFC is calculated according to a formula established by law and the information from your FAFSA. It's not (despite its name) how much your family will have to pay for college.

Verification

If there's an asterisk next to your EFC, it means your SAR requires further verification. That doesn't mean you did anything wrong in your application. It just means you will need to provide additional information and supporting documents to complete your application.

You may be asked to provide a tax transcript (you can get this online at irs.gov/transcript), W-2 form, proof of the number of people in your household enrolled in college, and/or child support payments. If you do get selected for verification, be sure to respond promptly so you don't miss any financial aid opportunities.

Loan summary

The loan summary on your SAR is where any of your outstanding federal student loans will be listed. You will only see information here if this is not your first year filing the FAFSA.

Data Release Number (DRN)

A Data Release Number (DRN) is the four-digit number assigned to your application by Federal Student Aid. You can provide your DRN to a customer service agent if you need certain changes made to your FAFSA information. Do not give your DRN to anyone other than a financial aid administrator or customer service agent.

FAFSA changes

It's important to review the information on the SAR to make sure everything you provided was correct as of the date you signed and submitted your FAFSA.

If you think any of the information on your report is incorrect, correct it by using the Information Review Form on the back of the SAR or by going to the official FAFSA website.

There are some items that should not be changed and will have a note indicating that next to them ("on the day you submitted your FAFSA"). For instance, if your or your parent's marital status or financial situation changed after you signed and submitted your application, you should not change that.

Some schools might require you to fill out additional forms, such as the CSS/Financial Aid profile, so be sure to check with your school's financial aid office.

[Learn more at SallieMae.com/FAFSA](https://salliemae.com/fafsa)

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