

2006-07



COUNSELORS AND MENTORS HANDBOOK ON FEDERAL STUDENT AID

U.S. Department of Education



*A Guide For Those Advising Students About
Financial Aid for Postsecondary Education*



START HERE
GO FURTHER
FEDERAL STUDENT AID



IMPORTANT WEB SITES

For You:

FSA for Counselors—resources to you help your students. www.fsa4schools.ed.gov/counselors

- Online training and information about live training
- Financial aid PowerPoint presentation and script

Federal Student Aid Publications Ordering System. www.FSAPubs.org

For Your Students:

Student Aid on the Web—planning for college, paying for college, and repaying student loans: www.FederalStudentAid.ed.gov

- *Funding Education Beyond High School: The Guide to Federal Student Aid*
www.studentaid.ed.gov/guide
- Looking for Student Aid. www.studentaid.ed.gov/LSA
- Fact sheets on various topics. www.studentaid.ed.gov/pubs

FAFSA on the Web and Federal School Codes. www.fafsa.ed.gov

PIN information and registration. www.pin.ed.gov



IMPORTANT TELEPHONE NUMBERS

FOR YOU AND YOUR STUDENTS

Federal Student Aid Information Center (FSAIC)

Toll-free number for questions about federal student aid. [1-800-4-FED-AID \(1-800-433-3243\)](tel:1-800-4-FED-AID)

TTY (for the hearing impaired). [1-800-730-8913](tel:1-800-730-8913)

Toll number for inquirers calling from foreign countries. [+1-319-337-5665](tel:+1-319-337-5665)

Inspector General Hotline

Reporting student aid fraud (including identity theft), waste, or abuse of U.S. Department of Education funds. [1-800-MIS-USED \(1-800-647-8733\)](tel:1-800-MIS-USED)

e-mail: oig.hotline@ed.gov

Web site: www.ed.gov/misused

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2006–07

Counselors and Mentors
HANDBOOK
on Federal Student Aid
U.S. Department of Education

*A Guide For Those Advising Students About
Financial Aid for Postsecondary Education*



START HERE
GO FURTHER
FEDERAL STUDENT AID

Federal Student Aid, an office of the U.S. Department of Education, plays a central and essential role in America's postsecondary education community.



Federal Student Aid's core mission is to ensure that all eligible Americans benefit from federal financial assistance—grants, loans and work-study programs—for education beyond high school. The programs we administer comprise the nation's largest source of student aid: during the 2004-05 school year alone, we provided approximately \$74 billion in new aid to nearly 10 million postsecondary students and their families. Our staff of 1,100 is based in 10 cities in addition to our Washington headquarters.

Among our most visible and essential services are the development, distribution, and processing of the Free Application for Federal Student Aid (FAFSA), the fundamental qualifying form used for all federal and government-guaranteed commercial lenders' programs—as well as many state, regional and private student aid programs. By filling out the online or paper FAFSA, applicants start the process of qualifying for aid. Each year our staff processes approximately 14 million FAFSAs.

Because we oversee \$391 billion of outstanding student loans, it's our job to ensure that all of our partners in the student aid community—schools, lenders, servicers and guaranty agencies—operate fairly, honestly and efficiently. Another key role we perform is to make students and their families aware that financial aid is available and is a necessary first step to further education. As America's premier source of federal student aid information, we distribute numerous publications, host multiple Web sites and run several customer call centers. Most of these services are provided in Spanish as well.

The Federal Student Aid team is passionately committed to making education beyond high school more attainable for all Americans, regardless of socioeconomic status. By championing access to postsecondary education, we uphold its value as a force for greater inclusion in American society, and for the continued vitality of America as a nation.

INTRODUCTION

The 2006–07 *Counselors and Mentors Handbook on Federal Student Aid* provides useful information to help high school and TRIO counselors and other mentors advise students about financial aid for postsecondary education. This book focuses on the federal student aid programs administered by the U.S. Department of Education.

What's New in This Year's Handbook?

We've been busy! For our updated handbook, we have

- Sharpened our focus to concentrate more than ever on federal student aid. In doing so, the following information has been moved to the "Preparing" section at www.fsa4schools.ed.gov/counselors:
 - "Choice of School"—questions a student should ask when looking for a college or career school—and
 - "Opportunities for Disadvantaged Students"—ways to help at-risk students prepare for college.
- Increased the number of headers so you can find topics more easily as you scan the table of contents.
- Added examples of circumstances that might make a student independent—and circumstances that definitely won't. (See page 19.)
- Included a sample copy of the 2006–07 *FAFSA on the Web Worksheet* (formerly the *Pre-Application Worksheet*) in Appendix F. If you aren't already urging your students to use the worksheet (instead of a paper FAFSA) to prepare to fill out *FAFSA on the Web*, now is the time to start! Find out why in Appendix F.
- Reorganized our lists of publications and Web sites in Appendix B, and we've provided detailed information about how you can order our publications.
- Removed the contact information for the Leveraging Educational Assistance Partnership (LEAP) and Robert C. Byrd Honors Scholarship programs based on feedback saying counselors would prefer main phone numbers for state higher education agencies. Those main numbers, as well as agency Web addresses, are in Appendix C.
- Added several new one-page fact sheets (see Appendix E) for you to photocopy and give to your students:
 - Am I dependent or independent?
 - College Preparation Checklist
 - Got a federal student loan? Be a responsible borrower!
 - What is a U.S. Department of Education PIN and why do I need one?
 - What information do I need when I fill out the FAFSA?
 - What's so great about doing the FAFSA online?
 - Who is my "parent" when I fill out the FAFSA?
 - Why get a federal student loan?

Help Us Improve the Handbook

We welcome any comments or suggestions on ways to make this handbook more useful in future editions. Please send your comments to

**U.S. Department of Education
Awareness and Outreach Division
3rd Floor
830 First Street, NE
Washington, DC 20202**

If you prefer, you may e-mail comments to ask.aidawareness@ed.gov.

Need More Copies?

To order additional free copies of this publication for your staff, call **1-800-394-7084** or visit the Federal Student Aid Publications Ordering System, FSAPubs, at www.FSAPubs.org.

INTRODUCTION TO FEDERAL STUDENT AID

Many students are unaware that they might be eligible for financial aid to attend college or career school. Unfortunately, many of the neediest students assume they can't afford to go to college to continue their education. High school, TRIO and GEAR UP counselors are an important source of information about financial aid from private, school, state and federal student aid programs.

For information about resources you can use to help students learn about federal and other student aid, see Appendix B. For a variety of fact sheets you can copy and distribute to students, see Appendix E.

What Is Student Aid?

Briefly, student aid is money provided by the federal government or another entity, such as a school or a state government, to help students pay for college or career school. Some aid (loan money) has to be repaid after the student leaves school, while other aid (work-study) is earned by the student through a job or is simply given to the student (grants).

The U.S. Department of Education's federal student aid programs deliver billions of dollars to students each year, as the following pie chart for 2003–04 shows, representing a substantial federal commitment to provide financial assistance for postsecondary students. In Fiscal Year 2004 (Oct. 1, 2003 through Sept. 30, 2004), the federal student aid programs provided approximately \$70 billion in aid to about 10 million people. (This number doesn't match the total in the pie chart because the pie chart includes nonfederal aid and refers to a different time period.)

The Major Federal Student Aid Programs

In this section, we will provide a brief introduction to the federal student aid programs. For more detailed information, you and your students may read

Funding Education Beyond High School: The Guide to Federal Student Aid. (Ordering information is in Appendix B.)

The U.S. Department of Education (ED) offers three major types of aid. Grants are gift aid and do not have to be repaid unless an overpayment has resulted due to the student withdrawing from school before the planned end of the term. The school's financial aid administrator will tell the student whether any funds must be returned to ED. Loans must be repaid. Federal Work-Study provides income (which does not have to be repaid) from a part-time job.

Federal Pell Grant Program

Federal Pell Grants are awarded according to rules set by Congress. If a student is eligible on the basis of these rules, an eligible school will pay the student his or her Federal Pell Grant.

Campus-Based Programs: Grants, Work-Study, Perkins Loans

Campus-based programs are administered by the financial aid office at eligible schools that choose to participate. ED funds the campus-based programs at participating schools based upon the amount the school has applied to receive, the amount available nationally, and the amount the school utilized in the previous year. The school then awards these funds to students according to federal guidelines. Because funds are limited, the earlier an eligible student applies, the more likely he or she is to receive available campus-based aid. The campus-based programs are

- Federal Supplemental Educational Opportunity Grant (FSEOG) Program
- Federal Work-Study (FWS) Program
- Federal Perkins Loan Program

Estimated Student Aid by Source for Academic Year 2003–04

(Current Dollars in Billions)

Federal Loans

\$55.5 (45.5%)

State Grants

\$6.0 (4.9%)

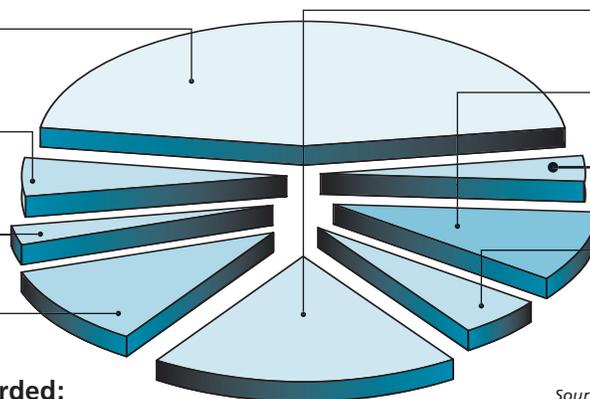
Federal Campus-Based

\$3.2 (2.6%)

Pell

\$12.6 (10.4%)

Total aid awarded:
\$122.0



Institutional Grants

\$23.2 (19.0%)

Nonfederal Loans

\$11.3 (9.2%)

Other Federal Programs

\$3.9 (3.2%)

Education Tax Benefits

\$6.3 (5.2%)

Source: The College Board, *Trends in Student Aid, 2004*

Federal Student Loans: Stafford, PLUS, Consolidation

William D. Ford Federal Direct Loan (Direct Loan) Program—The Direct Loan Program enables eligible students and parents to borrow from ED instead of from a bank or other lending institution. This allows borrowers to work with a single entity, ED, through its servicing centers when repaying loans or dealing with loan-related issues. The Direct Loan Program offers a range of flexible repayment options to meet borrowers' varied financial circumstances. There are four types of Direct Loans:

- Federal Direct Stafford Loans (subsidized)
- Federal Direct Stafford Loans (unsubsidized)
- Federal Direct PLUS Loans (for parents)
- Federal Direct Consolidation Loans (to combine federal education loan debts)

Federal Family Education Loan (FFEL) Program—The funds lent under the FFEL Program are provided by banks and other lenders, guaranteed by state agencies, and reinsured by the federal government. The FFEL Program also offers a variety of loan repayment options. There are four types of FFELs:

- Federal Stafford Loans (subsidized)
- Federal Stafford Loans (unsubsidized)
- Federal PLUS Loans (for parents)
- Federal Consolidation Loans (to combine federal education loan debts)

As noted above, the Direct Loan Program and the FFEL Program have subsidized and unsubsidized loans:

- Subsidized loans are awarded to students on the basis of financial need. The federal government pays the borrower's accrued interest during some significant periods, such as when the student is in school, thereby "subsidizing" these loans.
- Unsubsidized loans are not need based; the borrower is responsible for accrued interest throughout the life of the loan.

Both subsidized and unsubsidized loans are available to students. PLUS Loans are available to parents and are always unsubsidized.

A student cannot borrow from both the FFEL Program and the Direct Loan Program at the same school for the same enrollment period. Similarly, a parent cannot receive a FFEL PLUS Loan and a Direct PLUS Loan at the same time for the same student. The school the student plans to attend will inform the student which program is available at that school.

REMEMBER:

- **Grants** (Federal Pell Grants and Federal Supplemental Educational Opportunity Grants [FSEOG]) are free aid and do not have to be repaid except in special circumstances.
- **Loans** (Perkins, Direct and Federal Family Education Loans [FFEL]) must be repaid.
- **Federal Work-Study** provides income (which does not have to be repaid) from a part-time job.

Loan Default

Even after signing a promissory note (i.e., a contract promising to repay a specified amount of money with interest) for a loan, many students are only vaguely aware of their responsibility to repay the funds. Defaulting on a student loan (failing to repay the loan according to the terms of the promissory note) will affect a borrower's credit rating and could result in withholding of federal income tax refunds.

In Appendix E of this book, we have provided a one-page overview of a borrower's responsibilities. (See "Got a federal student loan?") For an in-depth look at student loans, repayment options and the consequences of default, we recommend *Repaying Your Student Loans* at www.studentaid.ed.gov/repayingpub. Ordering information for the paper copy is in Appendix B of this handbook.

Other ED Programs

Leveraging Educational Assistance Partnership (LEAP) Program

The LEAP Program assists states in providing grants to eligible students for postsecondary school. Many states have their own names for this grant program, and each state has its own award amounts and application procedures. States may use a percentage of their LEAP funding to provide work-study assistance through community-service job programs. Many of the eligibility criteria are established by the state agency administering the program, although LEAP recipients must also meet the same basic eligibility criteria that apply to other federal student aid recipients. Student and school inquiries about LEAP and other state grant, scholarship and work-study assistance should be directed to the appropriate state agencies. State agencies are listed at

www.ed.gov/Programs/bastmp/SHEA.htm
(URL is case-sensitive)

Note: It is a common requirement that a recipient of LEAP funds be a resident of the state awarding the funds. The definition of residency varies from state to state. Please ensure that your students contact the agency of the state in which they live, not of the state in which they plan to attend college.

Robert C. Byrd Honors Scholarship Program

Under the Robert C. Byrd Honors Scholarship Program (Byrd Program), which recognizes and promotes student excellence and achievement, ED makes grants to states to provide scholarships to exceptionally able postsecondary students. Applicants must follow the application procedures established by the sponsoring state education agency. The state education agency establishes procedures for selecting the scholars after consulting with school administrators, school boards, teachers, counselors and parents. In all cases, applicants must be graduating from high school in the year they apply and must be residents of the awarding state. Scholarship recipients may be awarded an amount each year (not to exceed the cost of attendance) for each of their first four years of study at any institution of higher education. State agencies are listed at www.ed.gov/programs/idadesbyrd/state-contacts.html

Vocational Rehabilitation Programs

ED's Rehabilitation Services Administration provides grants to state vocational rehabilitation agencies to help individuals with disabilities obtain employment and live more independently. Students must meet state eligibility criteria for these programs, and this aid must be coordinated with student aid from other sources to prevent duplicating benefits. A student is most likely to receive the maximum assistance by contacting, as early as possible, the state agency administering the program(s) for his or her home state and the financial aid office at the school he or she plans to attend. State vocational rehabilitation agencies are listed in the state government section of the telephone book. (See the blue pages.) Many are listed as the Division of Vocational Rehabilitation. There is also a list at www.jan.wvu.edu/sbses/vocrehab.htm

Other Federal Programs

This section lists several federal programs that provide financial assistance for postsecondary education. For links to a wide variety of government programs, visit www.students.gov

Federal Income Tax Credits

Two federal income tax credits are available for higher education expenses.

- The Hope Credit, a tax credit worth up to \$1,500 per student per year, can be claimed for qualified first-year and second-year students enrolled at least half time.

- The Lifetime Learning Credit is a tax credit up to \$2,000 (equal to 20 percent of a family's total annual tuition and fees up to \$10,000) for virtually any postsecondary education and training, including undergraduate years, graduate and professional schools, and even less-than-half-time study.

The Hope and Lifetime Learning Credits may not be claimed at the same time for the same student.

For more details about these income tax credits, as well as a variety of useful information for students, visit the Tax Information for Students page at the IRS Web site: www.irs.gov/individuals/students/index.html

National and Community Service

AmeriCorps, a program of national and community service, provides funding for education. Participants can earn an education award of up to \$4,725. Individuals may work before, during or after their postsecondary education and can use the funds either to pay current or future education expenses or to repay federal student loans. Participants must be at least 17 and be U.S. citizens, nationals or lawful permanent residents. For more information, students may call **1-800-942-2677** or e-mail questions@americorps.org.

Students may access the AmeriCorps Web site at www.americorps.org

Health Professions

The U.S. Department of Health and Human Services (HHS) administers several programs for undergraduate students. Students interested in these programs should contact the financial aid office of the school they plan to attend. HHS also administers a number of programs for graduate students in health profession disciplines. For more information on financial aid programs administered by HHS, students may call **1-877-464-4772**, e-mail callcenter@hrsa.gov or visit www.bhpr.hrsa.gov/dsa

Veterans Benefits

Below are brief descriptions of the major benefits programs administered by the Education Service at the U.S. Department of Veterans Affairs (VA). For more information about VA education programs, call **1-888-GI-BILL (1-888-442-4551)** or visit www.gibill.va.gov

Montgomery GI Bill—Active Duty

The Montgomery GI Bill—Active Duty Educational Assistance Program provides up to 36 months of education benefits for a degree or a variety of other programs. Eligible veterans have as long as 10 years following release from active duty to use their benefits. Full program details are at www.gibill.va.gov/education/c30pam.htm

Montgomery GI Bill—Selected Reserve

The Montgomery GI Bill—Selected Reserve is a program of education benefits for reservists of the armed forces as well as the Army National Guard and the Air National Guard. For information about benefits and eligibility, visit www.gibill.va.gov/education/c1606pam.htm

Survivors' and Dependents' Educational Assistance Program (DEA)

Students may qualify for DEA benefits if they are spouses or children of

- veterans who died or are permanently and totally disabled as the result of a service-connected disability arising from active service in the armed forces;
- veterans who died from any cause while rated permanently and totally disabled from the service-connected disability;
- service persons missing in action or captured in the line of duty by a hostile force; or
- service persons forcibly detained or interned in the line of duty by a foreign government or power.

The DEA program provides benefits for degrees or other VA-approved programs. Full details are at www.gibill.va.gov/education/c35pam.htm

Veterans Educational Assistance Program (VEAP)

VEAP benefits are available to certain veterans who entered active duty between Jan. 1, 1977 and June 30, 1985. For information about eligibility criteria, amounts of benefits, and application procedures, see www.gibill.va.gov/education/c32pam.htm

New Education Benefit for Activated Reservists

A new benefit, known as Chapter 1607, makes certain individuals activated after Sept. 11, 2001 eligible either for education benefits or for increased benefits. At the time this handbook was updated, only general information about Chapter 1607 was available. To learn more, visit www.gibill.va.gov

Other Assistance From the Military**ROTC Scholarships**

Reserve officer training scholarships are available through the Army, Air Force and Navy. Military scholarship recipients will have a service obligation in either the reserves or active duty after graduating from college. A fact sheet in Appendix E of this book provides information for high school students about the Army Reserve Officer Training Corps (ROTC), Air Force Reserve Officer Training Corps (AFROTC), and the Naval Reserve Officers Training Corps (NROTC). Feel free to photocopy and distribute this information.

Assistance in Return for Active Duty

Active duty military service also offers numerous programs to help students earn or pay for a college degree. For further information about these programs, students should contact a local U.S. armed forces recruiter.

Students who borrow federal student loans may be interested in repayment assistance from the U.S. Army's loan repayment program. Enlistment in either the Army or Army Reserve can lead to assistance; repayment amounts vary depending on several factors. For more information, students should contact a recruiting officer or visit www.goarmy.com/benefits/education.jsp

Nonfederal Sources: State, School, Private State Aid

Each state administers its own student aid programs, which might include scholarships, loans, fellowships for graduate school, or any combination of a variety of types of aid. Students can contact their state education agency for more information; telephone numbers are listed in Appendix C of this handbook. Most agencies have Web sites describing their state aid. You can link to state agencies' sites from www.ed.gov/Programs/bastmp/SHEA.htm (URL is case-sensitive)

Prepaid Tuition and College Savings Plans

Every state offers at least one of two types of tuition savings plans. The programs are known as Section 529 plans after the section of the Internal Revenue Code in which they are described.

The typical prepaid tuition program allows families to set aside, in a special account, a predetermined amount each month; the savings cover full tuition at a public state school or a specified amount toward tuition at a private or out-of-state school.

A Section 529 College Savings Plan is essentially an investment account created to save for a specific child's college expenses. This type of account is available in most states.

For more information on Section 529 plans, visit the College Savings Plans Network site at www.collegesavings.org

School Aid

Many postsecondary schools offer aid from their institutional funds. Most require that the student submit an application in addition to the FAFSA to be considered for institutional aid. The best source of information on aid available at a school is the school's financial aid office, which might have its own page on the school's Web site.

Private Scholarships

A student also might qualify for a private grant or scholarship for academic achievement, religious affiliation, ethnic or racial heritage, community activities, artistic talents, leadership potential, athletic ability, proposed field of study, or hobbies and special interests. The federal student aid Web site offers a free scholarship search based on such criteria: www.FederalStudentAid.ed.gov

Some postsecondary schools provide computerized scholarship search services free or at low cost.

Private Aid Consultants

There are many privately operated scholarship search and financial aid advice services; these services tend to be relatively expensive, so a student or parent should consider the extent of the search being offered before committing to such a service. About 70 percent of all aid awarded comes from federal and state programs that students can easily find out about through *Funding Education Beyond High School: The Guide to Federal Student Aid*, other free publications, and Web sites.

Despite the numerous free sources of information about money for college, some students and parents still prefer to hire a private advisor. A student considering using a for-fee service can find information about it by contacting several sources. Most of these sources will be able to tell the student whether complaints have been lodged against the service. However, keep in mind that a few complaints do not necessarily mean a company is not reliable or legitimate. Rather, the student should use careful judgment, weighing all available information about the number and nature of complaints before making a decision.

The student might obtain information from

- a local Better Business Bureau. Local offices are listed in the phone book; alternatively, students can search for offices at www.bbb.com
- the U.S. Postal Inspection Service Fraud Complaint Unit's toll-free number, **1-800-372-8347** (9:00 a.m. to 6:00 p.m. Eastern time, weekdays). Alternatively, the student may access an online complaint form at www.usps.com/postalinspectors
- a state attorney general's office (which will be listed in the State Government section of the phone book). A full list of attorneys general is at www.naag.org/ag/full_ag_table.php

Avoiding Scholarship Scams

Each year, ED and the Federal Trade Commission (FTC) receive numerous complaints from students and parents who did not receive the information they expected from a financial aid advice service. In fact, the problem became so widespread that, in 2000, Congress passed the College Scholarship Fraud Prevention Act. For links to the text of the Act, the FTC's and ED's annual reports to Congress on scholarship scams, and other related information, visit the counselors' page of Looking for Student Aid at www.studentaid.ed.gov/LSA

YOU CAN HELP RAISE AWARENESS OF FINANCIAL AID SCAMS AND THE AVAILABILITY OF FREE ADVICE IN SEVERAL WAYS:

- Mention the issue at financial aid information sessions.
- Display the "Don't Get Stung" poster (see Appendix B of this handbook) in a highly visible place in your school.
- Tell students and parents about the Looking for Student Aid Web site.
- Distribute the *Looking for Student Aid* brochure (see below).

Although ED does not evaluate private search services, the Looking for Student Aid Web page and brochure provide some helpful guidelines for students considering using a search service. *Looking for Student Aid* is at www.studentaid.ed.gov/LSA

Ordering information for the brochure is in Appendix B.

You also might wish to distribute the "Don't Get Scammed" fact sheet from Appendix E of this handbook. The fact sheet lists some questionable tactics students should be aware of and tells them how to report fraud.

Who Can Get Federal Student Aid?

General Eligibility Requirements

Eligibility for federal student aid programs (except for Byrd Scholarships) is based on financial need rather than on academic achievement. To have his or her financial need determined, a student must complete and file a *Free Application for Federal Student Aid* (FAFSA). Part 3 of this handbook discusses the correct completion of the FAFSA.

Additionally, to be eligible for federal student aid, a student must

- have a high school diploma or its equivalent, receive a passing score on an independently administered examination approved by ED, or have been homeschooled and either (1) have a secondary school completion credential for home schools as provided for under state law, or (2) if the state does not require the credential described above, have completed a secondary school education in a homeschool setting that qualifies as an exemption from the compulsory attendance requirements under state law;
- enroll as a regular student in an eligible degree or certificate program;
- be a U.S. citizen or eligible noncitizen;
- have a valid Social Security number (with the exception of students from the Republic of the Marshall Islands, Federated States of Micronesia, or the Republic of Palau);
- make satisfactory academic progress;
- sign certifying statements on the FAFSA such as agreeing to use federal student aid funds only for educational expenses; and
- be enrolled at least half time to be eligible for Direct Loan or FFEL Program funds.

Note: This is not a comprehensive list of eligibility requirements. For detailed information on eligibility, see the “Student Eligibility” volume of the *Federal Student Aid Handbook* at www.ifap.ed.gov (Click on “Current Publications”)

Selective Service Registration

Most male students must be registered with Selective Service to receive federal student aid. Students who must register for the Selective Service may use the FAFSA to do so. One of the questions on the FAFSA asks a male applicant if he wants the Selective Service to register him. Students can call the Selective Service toll-free at **1-888-655-1825** for general information about registering or access www.sss.gov

Note: Male students can register with the Selective Service online at the above Web site.

Drug-Related Convictions

Section 484(r) of the Higher Education Act suspends aid eligibility for students convicted of the sale or possession of drugs. If a student has a conviction or convictions for these offenses, he or she should call the Federal Student Aid Information Center (FSAIC)

to find out how the law applies to the student. (FSAIC contact information can be found inside the front cover of this handbook.)

An affected student can regain eligibility early by successfully completing an approved drug rehabilitation program.

How is Financial Need Determined?

As we’ve said, a student must demonstrate financial need to be eligible for most federal student aid. At its simplest level, a student’s financial need is the difference between the student’s cost of attendance at the school and the amount the family is expected to contribute to the student’s education.

Need Analysis

The process of analyzing a student’s financial need, known as need analysis, focuses on determining how much the family reasonably can be expected to contribute toward the student’s education. Traditionally, this is done by collecting information about the family’s income, assets and living expenses. For the federal student aid programs, the law specifies a need analysis formula that produces the Expected Family Contribution (EFC). The EFC and the school’s cost of attendance (see below) are used by the postsecondary school to establish the student’s need as well as to award Federal Pell Grants, campus-based aid, and subsidized loans. (The school might ask the student to complete other paperwork to determine the student’s need for nonfederal aid.)

Calculating the EFC

For an EFC calculation, a student must complete and file the FAFSA. The fastest and easiest way to do so is to apply online at www.fafsa.ed.gov. Unlike college admissions applications, the FAFSA is sent to an ED processing center, rather than directly to a college. The student’s information is entered into ED’s computer system, which then calculates the student’s official EFC. The overall application process for financial aid is described in Part 2 of this handbook, while completing specific questions on the FAFSA is discussed in Part 3.

For a detailed breakdown of the EFC formula, go to www.studentaid.ed.gov/pubs. From there, you can download the EFC formula worksheets. Alternatively, call the FSAIC and request that a copy of the worksheets be mailed to you.

Cost of Attendance

Once the school knows the student’s EFC, the next step is to subtract it from the student’s cost of attendance (COA) at that school. The result is the student’s financial need.

For the federal student aid programs, the financial aid administrator must use the definition of “cost of attendance” given in the law to determine what education-related expenses may be considered. The law specifies that the COA includes tuition and

fees and an allowance for living expenses, such as room and board, books and supplies, miscellaneous personal expenses (including a reasonable allowance for renting or purchasing a personal computer), and transportation costs. The law also provides limited allowances for loan fees, dependent-care costs, and expenses for disabled students.

Note: Many high school students (and their parents) don't immediately understand that the definition of "cost of attendance" includes more than just tuition. *Funding Education Beyond High School: The Guide to Federal Student Aid* explains the concept in the section titled "Important Terms."

The financial aid administrator at a school usually develops an average COA for different categories of students. For instance, some programs of study might have lab fees or higher charges for books and supplies than other programs. Students living off campus might have slightly higher allowable costs for room and board and transportation expenses than students living on campus.

The Financial Aid "Package"

Using all available federal and nonfederal aid, the financial aid administrator constructs a financial aid package that comes as close as possible to meeting the student's demonstrated financial need; however, because funds for all programs are limited, the amount awarded can be less than the amount for which the student is eligible. The financial aid package often is presented to the student in an award letter, although more and more schools are developing secure Web-based systems to share this information with students.

The student may accept or decline any of the financial aid offered. Students often have questions about the financial aid package; these questions are best handled by the financial aid office at the postsecondary school. While ED does not regulate how a postsecondary school packages aid, we do require that the institution inform all students about all federal, state, local, private and institutional student financial assistance available at that institution. In addition, ED requires that participating institutions describe the procedures and forms for application; the student eligibility requirements; the selection criteria; and the criteria for determining the amount of an aid award.

How Much Federal Pell Grant Funding Can a Student Get?

For 2005–06, the maximum yearly Federal Pell Grant was \$4,050. At the time this book was published, the maximum grant for 2006–07 had not been determined. For more information, contact the Federal Student Aid Information Center (contact information is inside the front cover of this book).

To determine the amount of a student's Federal Pell Grant, the financial aid administrator considers the cost of attendance, the EFC and other factors.

The lower the EFC is (the less money the family is assumed able to pay for school), the higher the grant award is; a student with a zero EFC—no family contribution is expected—has the most need and may be eligible to receive the largest possible Federal Pell Grant award.

The maximum Pell-eligible EFC for 2005–06 was 3,850. At the time this book was published, the maximum for 2006–07 had not been determined. For information, contact the Federal Student Aid Information Center (contact information is inside the front cover of this book).

Note: A student who is attending two different postsecondary schools during the same enrollment period must notify the financial aid administrators at both schools. The student may not receive Pell Grants at both schools during the same enrollment period.

How Much Campus-Based Aid and Subsidized Loan Money Can a Student Get?

The maximum annual awards for the campus-based aid programs and for subsidized Stafford Loans are

- Federal Supplemental Educational Opportunity Grant: \$4,000
- Federal Work-Study: no annual maximum
- Federal Perkins Loan: \$4,000 for undergraduates; \$6,000 for graduates
- Subsidized Stafford Loan: varies from \$2,625 for first-year undergraduates to \$5,500 for third- and fourth-year students and \$8,500 for graduate students

When awarding campus-based aid or subsidized loans, the financial aid administrator must consider other aid available to the student in addition to the EFC.

- For example, using 2005–06 figures, consider a full-time student with an EFC of 500 who enrolled in a program that cost \$6,000.
 - The student then needed \$5,500 in financial aid to go to school ($\$6,000 - \$500 = \$5,500$).
 - However, when the student received a \$3,600 2005–06 Federal Pell Grant and a \$1,000 outside scholarship, the student's need was reduced by \$4,600.
 - Therefore, the aid administrator could award up to \$900 (the remaining need) in the form of campus-based aid and a subsidized Federal or Direct Stafford Loan ($\$5,500 - \$4,600 = \$900$).

How Much Can A Student Get in Unsubsidized Stafford Loans?

The yearly maximum for unsubsidized Stafford Loans varies from \$2,625 for a dependent first-year student to \$10,500 for an independent third- or fourth-year student and \$18,500 for a graduate student. (A discussion of what determines whether a student is dependent or independent is on pages 18 and 19.) Note that whatever the student receives in subsidized Stafford funds will be subtracted from the maximum amounts above, so that the student will not receive more than the maximum amount in subsidized and unsubsidized Stafford Loans combined.

Because unsubsidized Federal or Direct Stafford Loans or PLUS Loans are not need based, the aid administrator applies the following principles to determine eligibility for unsubsidized loans:

- The amount of the loan may not exceed the difference between the student's cost of attendance and all other aid the student is receiving, including aid from private and other nonfederal sources.

- The school must consider the student's eligibility for other aid before determining a loan amount. For instance, if a full-time independent student in his or her first year of study in 2005–06 had a cost of attendance of \$8,000 and was eligible for a maximum Federal Pell Grant of \$4,050 and a maximum subsidized Stafford Loan of \$2,625, the aid administrator could approve the student for an unsubsidized Stafford Loan of up to \$1,325 ($\$8,000 - \$4,050 - \$2,625 = \$1,325$).

As we have seen, federal student aid awards ultimately are made on the basis of the student's EFC. It is important to note that even though eligibility for unsubsidized loans is not based on the student's EFC, the student's eligibility for financial aid awarded on the basis of the EFC is considered when awarding these loans.

DID YOU KNOW...

A school's financial aid administrator is a crucial source of information for a student. See Appendix F of this handbook for tips on how a student can make the most of a relationship with a financial aid office.

A table showing the federal student aid programs and their award limits is in Appendix E of this handbook. (See "Federal Student Aid at a Glance.")

APPLICATION PROCESS FOR FINANCIAL AID

Federal law requires the U.S. Department of Education (ED) to ensure that students can apply for federal aid without paying a fee. To be considered for most of the federal student aid programs, a student must complete and submit the *Free Application for Federal Student Aid* (FAFSA). This application (available in English and Spanish) collects financial and other information used to calculate the Expected Family Contribution (EFC), which postsecondary schools use to determine the student's eligibility for aid. (See page 8 for a discussion of the EFC.)

The FAFSA information is also used by states and many schools in awarding funds from their own financial aid programs. To be considered for state or institutional aid, a student might be required to complete additional questions on a separate nonfederal form, and a fee might be charged for processing this additional information. Students should check with the schools to which they plan to apply and with their state agencies to find out whether aid applicants are required to submit additional data on nonfederal forms.

A student needs to complete the FAFSA only once each year. After the first year, a student may complete the Renewal FAFSA, which is an online form (available in English and Spanish) that pre-populates certain data fields based on what the student reported on the previous year's FAFSA.

Note: There is no longer a paper Renewal FAFSA.

Before Applying

Getting a PIN

We recommend that students and parents save time by requesting personal identification numbers called PINs before the student applies for aid.

Share information about the PIN with your students by copying and distributing the fact sheet "What is a U.S. Department of Education PIN and why do I need one?" found in Appendix E of this handbook.

What's a PIN For?

The PIN can be used to electronically sign the FAFSA, drastically decreasing the processing time.

The PIN can be used in the following ways (among others):

- applicant's electronic signature on the FAFSA and certain student loan contracts
- parent's electronic signature on the FAFSA (if parent obtains his/her own PIN)
- access to *Corrections on the Web* (see page 18) to add schools or correct or update information
- access to FAFSA processing results on the Web
- access to *Renewal FAFSA on the Web*
- access to online information about federal student aid the student has received

Why Would a Parent Need a PIN?

At least one parent of a dependent student must sign that student's application. (To determine a student's dependency status, see "Am I dependent or independent?" in Appendix E of this handbook.) The PIN is the most efficient way to sign the FAFSA. Because each person electronically signing a FAFSA needs his or her own PIN, a dependent student's parent should get a PIN. The parent's PIN can be used to sign FAFSAs for all of that parent's children and/or for the parent's own FAFSA.

How and When Should You Get a PIN?

The ideal time to get a PIN is November or December of the student's senior year in high school. The PIN must be requested online at www.pin.ed.gov

Before a PIN is issued, the student's or parent's name, date of birth, and Social Security number (SSN) are verified with the Social Security Administration (SSA). Within three to five days of applying, students (and parents if applicable) who supply an e-mail address will get an e-mail containing a link to a Web page that displays the PIN. The e-mail link will be active for 14 days. The applicant can link to this page only one time and therefore should make a note of the PIN for future reference. If no e-mail address is provided, or if the link to the online PIN is not accessed within 14 days, a paper PIN mailer will be sent to the student (or parent); the mailer should arrive within seven to 10 days.

Can You Choose Your Own PIN?

The student (or parent) can change the PIN to something easier to remember by accessing the PIN site and selecting "Change My PIN." The student or parent must use the current PIN to verify his or her identity.

What If the Student Forgets the PIN?

If the student forgets the PIN, he or she can request a duplicate PIN at www.pin.ed.gov. If the student's e-mail address is on file, he or she will receive a response within four hours. If no e-mail address is on file for the student, a paper PIN mailer will be sent to the student within seven to 10 days. Once the duplicate PIN arrives, we recommend the student return to the PIN site to change the PIN to a number he or she will be able to remember.

What About PIN Security?

The student should keep his or her PIN in a safe place and **never** share it with anyone, even if that person is helping the student fill out the FAFSA. Revealing the PIN could make the student susceptible to identity theft.

**Helping Students Learn About the FAFSA
FAFSA Demonstration Site**

A demonstration site is available so you can increase your own understanding of *FAFSA on the Web* and/or show it to students and parents before they apply. At the site, you can complete a sample FAFSA, make corrections, check the status of the application, and sign it electronically. However, when you choose "submit," the information is not actually submitted. The site is purely a learning tool. To access the demo site, go to <http://fafsademo.test.ed.gov>

The user name is **eddemo**, and the password is **fafsatest**. The site displays both the English and Spanish versions of *FAFSA on the Web*. The 2006–07 demo site will be available by mid-December 2005.

FAFSA on the Web Screen Shots

If you're preparing a presentation about financial aid and want to show students what the online FAFSA looks like, you can download PowerPoint slides with images (or "screen shots") of *FAFSA on the Web* screens at our *FSA for Counselors* site: www.fsa4schools.ed.gov/counselors

Financial Aid PowerPoint Presentation

Also at the counselors' site is a general presentation about federal student aid, along with a script and information about planning a financial aid workshop at your school.

At your presentation, you might consider distributing the *FAFSA on the Web Worksheet* to help students prepare to fill out the online FAFSA. The worksheet is discussed below, and you can find the worksheet itself in Appendix F.

Gathering Documents for the FAFSA

To complete the FAFSA, students (and their parents, if applicable) need copies of their Social Security

cards, driver's licenses (optional), federal income tax returns, Form(s) W-2, current bank statements, records of untaxed income (such as welfare benefits, Social Security, Temporary Assistance for Needy Families [TANF], etc.), and records of any stocks, bonds and other investments and assets.

You can find a list of items needed for the FAFSA on the *FAFSA on the Web Worksheet* (see below) and at www.fafsa.ed.gov

FAFSA on the Web Worksheet

A useful tool in preparing to complete the online application is the *FAFSA on the Web Worksheet* (available in English or Spanish). The worksheet, designed for applicants who prefer to fill something out in writing before applying online, lists the FAFSA questions and provides boxes for students' (and parents') answers. The order of questions on the worksheet follows that of *FAFSA on the Web*, which differs from the paper FAFSA. Therefore, to avoid confusion, we recommend that students not use paper FAFSAs to prepare for *FAFSA on the Web*.

In autumn 2005, all high schools, TRIO programs and GEAR UP programs on the U.S. Department of Education Federal Student Aid mailing list will receive a shipment of *FAFSA on the Web Worksheets*.

Additionally, a copy of the worksheet is in Appendix F of this handbook. Feel free to photocopy it for distribution to students at financial aid workshops, in English classes, in your office or through other channels.

You also can find the worksheet in PDF at www.studentaid.ed.gov/worksheet, download it and photocopy it for distribution to students. Or, to save time and paper, you might wish to e-mail it to your students.

Note: The worksheet is not an application and cannot be submitted to the FAFSA processor. A student without access to the Internet should use an official paper FAFSA.

When to Apply

The FAFSA processing cycle lasts 18 months. For the 2006–07 award year, applications may be completed on or after Jan. 1, 2006. Processing begins Jan. 3, 2006. FAFSAs for that year will be accepted until July 2, 2007. Note that most states have much earlier deadlines for students who want to be considered for state aid. You can check state deadlines at www.fafsa.ed.gov. Additionally, some schools have limited institutional funds that are awarded on a "first-come, first-served" basis to eligible students. Students and parents should

fill out their federal income tax forms and then the FAFSA as early as possible in 2006. **Those who are unable to complete federal income tax forms early should estimate amounts as accurately as possible and fill out the FAFSA accordingly, correcting the information with actual amounts once the tax forms are complete.**

At financial aid nights or other information sessions, you might wish to encourage families who are eligible for the Earned Income Credit to file a tax return in order to benefit from the credit.

A student should not submit a paper 2006–07 FAFSA for processing before Jan. 1, 2006. Paper applications received before that date will be returned to the student unprocessed. Applications signed before Jan. 1 but received by the Central Processing System (CPS) after Jan. 1 will be processed, but the student will be sent a rejected *Student Aid Report* (SAR) with a request to sign the SAR after Jan. 1 and then return it to the CPS. (Electronic applications will not be available before Jan. 1, 2006 or after July 2, 2007.)

How to Apply

Electronic Application Methods

FAFSA on the Web

FAFSA on the Web—available in both English and Spanish—allows students to complete their FAFSA applications faster and more easily than any other application method. This Internet application allows students to submit their FAFSA information directly to the Central Processing System (CPS). *FAFSA on the Web* offers detailed online help for each question as well as live online one-on-one communication with a customer service representative. Due to the ease of applying this way, approximately 80% of all FAFSA applicants complete the form on the Web—and the numbers are growing all the time.

The address for *FAFSA on the Web* is www.fafsa.ed.gov

Note: There are Web sites at which students can get help filing the FAFSA for a fee. These sites are not affiliated with or endorsed by ED. We urge you to advise your students not to pay these sites for assistance that is provided for free at ED's Web site.

FAFSA on the Web contains informational text at the beginning of each section to assist the student in completing the form. "Skip logic" automatically omits questions that do not apply to the student, based on how the student answered previous questions. (For example, if an applicant indicates that she is not male, she will not be asked whether she wants to register

with Selective Service.) Built-in edits help students detect and correct any errors before submitting the data to the CPS. This feature significantly reduces the number of applications rejected by the CPS.

Filling Out a Simplified FAFSA

Certain questions on *FAFSA on the Web* determine whether the student is eligible for the automatic assignment of an EFC of zero; those questions will be asked at the beginning of the process. Based on their answers to those questions, applicants might be able to skip certain questions about income and assets.

Additionally, some students, based on income and tax filing status, are eligible to have assets excluded from consideration in calculating the EFC. The questions determining eligibility for the simplified EFC formula are also at the beginning of the *FAFSA on the Web* application. Based on their answers to those questions, applicants might be able to skip the questions about assets.

However, for purposes of determining eligibility for state financial aid, some states require asset and income information. Students who are residents of such states will be asked those questions regardless of their eligibility for the federal simplified formula or for an automatic zero EFC. Students who are not residents of such states will be asked whether they want to skip the optional questions. Some schools, too, require the student to complete those questions to determine eligibility for institutional aid, so the student should check with the schools to which he or she is applying before deciding to skip those questions. (Providing all income and asset information will not negate the student's eligibility for the simplified formula or for the auto-zero EFC.)

Saving the FAFSA With a Password

Students do not have to complete *FAFSA on the Web* in one sitting. At the beginning of the process, the student is asked to supply a password. If the student is interrupted or needs to leave the application before completing it, the information will be saved and will remain available via the password for 45 days. The student should keep the password in a safe place; if the student forgets the password, there is no way for the CPS to reset it or to retrieve the student's data.

The password is different from the PIN: the PIN allows the student to sign the FAFSA, whereas the password is created solely to access the incomplete application at a later time.

Signing the Application With a PIN or Signature Page

Also at the beginning of the process, the applicant is asked for his or her PIN. Providing the PIN is optional but speeds up the application process because the PIN

serves as the student's electronic signature, eliminating the need for the student to mail a signature page to the processor.

A dependent student's parent signs electronically using his or her own PIN at the end of the application.

A student without a PIN (and/or a dependent student whose parent does not have a PIN) should print, sign and mail a signature page to the CPS. The student should be sure to transmit the FAFSA after printing the signature page. If the student does not sign (either electronically or with a signature page) within seven days of submitting the FAFSA, or if the student indicates at *FAFSA on the Web* that he or she will not sign via PIN or signature page, he or she will receive a *Student Aid Report (SAR)* in the mail requesting the appropriate signatures. The student (and parent, if appropriate) must sign the SAR and return it to the FAFSA processor before the application can be processed and an EFC calculated.

Submitting the FAFSA and Getting an Estimated EFC

When the student submits his or her information at *FAFSA on the Web*, a confirmation page appears, indicating that the application was submitted successfully and showing an estimated EFC for the student. It is important to note that *FAFSA on the Web* provides only an estimate; the official EFC will

ADVANTAGES OF FAFSA ON THE WEB

FAFSA on the Web is the quickest and easiest method of applying, offering the following advantages:

- Detailed online help screens assist the student.
- Real-time online communication with a customer service representative provides immediate answers.
- Built-in edits detect errors and reduce the number of rejected applications.
- Applicants have instant access to an estimated Expected Family Contribution.
- Information is sent directly to the Central Processing System.
- Applicants can verify that information was transmitted successfully.
- When an application is signed electronically with a PIN and a valid e-mail address is provided, results arrive within three to five days, compared to two to three weeks with a paper FAFSA.

be e-mailed or mailed to the student on the SAR. Once the student's FAFSA has been processed, the student may view the official EFC results at *FAFSA on the Web*. (The PIN is required for this.)

Note: Please encourage your students to print and save the confirmation page.

For more information about *FAFSA on the Web*, or for technical assistance, students may access live online customer service at the site by selecting the "Live Help" icon or may call **1-800-4-FED-AID (1-800-433-3243; TTY: 1-800-730-8913)**.

Applying Through the School

Students also may file the FAFSA at some postsecondary schools. The student provides the necessary information, and the school enters the information electronically and sends it electronically to the CPS. The student should contact the financial aid administrator at the school he or she plans to attend to ask whether this option is available at that school.

Paper Application Method

Students may complete a paper FAFSA (available in English and Spanish) and submit it for processing using the accompanying envelope. Photocopies or faxes of the FAFSA will not be accepted, nor will the *FAFSA on the Web Worksheet*. Students should keep a photocopy of the completed form for their own records.

Note: Applicants should send only the FAFSA itself (pages 3–6) to the processor. They should not send copies of their tax returns, the worksheets on page 8 of the FAFSA, or any other documentation.

How the FAFSA is Processed

FAFSA data are transmitted to the Central Processing System (CPS). The CPS uses this information to calculate the EFC and produce an output document reporting that EFC. The student will receive an e-mail or an output document (either a *Student Aid Report [SAR]* or a *SAR Acknowledgement*) from the CPS within a few days to three weeks of submitting the FAFSA, depending on the type of FAFSA submitted. Descriptions of the SAR and *SAR Acknowledgement* are on pages 16 and 17. Because the two documents serve the same purpose, for simplicity's sake we will refer to "the SAR" to mean "one of these two output documents" throughout most of this chapter.

When processing the application, the CPS uses a series of edits to check the consistency of FAFSA information. For instance, it would be inconsistent for the dependent

student of a single parent to report income earned from work for two parents. If the FAFSA data are inconsistent, the CPS may be unable to calculate the EFC or may calculate an EFC based on assumptions. If assumptions have been used, they are indicated on the student's SAR; the student must make sure the assumptions are correct. The SAR includes instructions for making corrections.

Note: *FAFSA on the Web* has built-in edits to spot inconsistencies and point them out to the applicant so they can be corrected (if necessary) before the information is transmitted. This process saves the applicant time and trouble later.

Data Matches

In addition to checking the FAFSA data against predetermined edits, the CPS also performs several database matches. If discrepancies arise, the student's record is flagged and the student may not be eligible to receive federal aid unless the discrepancy is resolved. Resolving such a discrepancy usually requires the student to submit additional documentation to the school where he or she is applying. The SAR includes the appropriate instructions for the student.

Social Security Administration (SSA) Matches

The CPS matches FAFSA data against SSA records to check the validity of a student's Social Security number (SSN). If the SSN is invalid, the student will receive a SAR with a comment instructing him or her to review the SSN and explaining how to resolve the discrepancy. The student also will receive a SAR comment if the SSN is a valid number but the date of birth reported on the FAFSA doesn't match the SSA's records. The student must resolve the discrepancy before he or she can receive federal student aid. This may be done by correcting the information if it is incorrect, or by reentering the information if it is correct. The student also might receive a SAR with similar comments if some or all of the parent's information does not match the SSA's database. For advice about the best course of action in his or her circumstances, a student should follow the guidance on the SAR or contact the financial aid administrator at the school he or she plans to attend.

If the student indicates on the FAFSA that he or she is a U.S. citizen, ED also conducts a match with the SSA to verify U.S. citizenship status. The results of the citizenship match appear on the student's SAR. When a student's reported data conflict with the SSA's database—or when no citizenship match can be performed—the SAR will indicate that there is a conflict. The student must then provide the school with documentation substantiating his or her citizenship claim.

The SSA database match also checks whether the SSA has a date of death listed for the person with that SSN. The match is intended to detect when someone might be fraudulently attempting to receive federal student aid.

Department of Homeland Security (Formerly Immigration and Naturalization Service) Match

The CPS also matches FAFSA records against citizenship records maintained by the U.S. Department of Homeland Security (DHS). If the student reports on the FAFSA that he or she is an eligible noncitizen (and, therefore, could be eligible for federal student aid) and reports an Alien Registration Number, that information is checked against the database maintained by the DHS. If the match does not confirm the student is an eligible noncitizen, he or she will receive a comment on the SAR. A student is not eligible for federal student aid until his or her status as an eligible noncitizen is resolved.

National Student Loan Data System (NSLDS) Match

The CPS also matches FAFSA data with the NSLDS, which identifies students who have defaulted on any Federal Perkins Loans, Direct Loans or FFEL Program loans. If a student is found to be in default and has not made satisfactory arrangements to repay, he or she will receive a comment on the SAR. A student is not eligible for federal student aid until the default status is resolved. The NSLDS match also reveals whether a student owes a refund due to overpayment of a federal grant, as well as simply reporting a history of any federal student aid received by the student in the past.

Other Matches

The CPS also performs matches against registration status information maintained by the Selective Service System and against veteran status information maintained by the U.S. Department of Veterans Affairs (for students who say they are veterans).

What to Expect After Applying

Checking the Status of a FAFSA

After filing (either on paper or electronically), students can check on the processing status of their FAFSAs or any corrections they've made at www.fafsa.ed.gov.

A student without access to the Internet can check the status of the FAFSA by calling **1-800-4-FED-AID (1-800-433-3243)** and answering questions asked by an automated system. TTY users (who call **1-800-730-8913**) will be connected to an operator rather than to an automated system. Students calling from a foreign country might not have access to the toll-free number; they can call **+1-319-337-5665**.

Where the Processor Sends the FAFSA Information

Within 72 hours after the CPS receives a completed application and signature, schools listed on the student’s FAFSA have access to the student’s information. The schools download the processed FAFSA data in electronic form on a report called an *Institutional Student Information Record*.

The processor also sends the student’s information to the state agency (or agencies) in the student’s state of legal residence and to the state agencies of the states in which the schools listed on the FAFSA are located.

This maximizes the student’s chances of receiving state-based and school-based financial aid.

What the Student Receives After Applying

A student who completes the FAFSA and whose SSN, name and date of birth are confirmed by the SSA will automatically receive a PIN if he or she does not already have one. As with the PIN Web site, the student receives the PIN either by e-mail (if a valid address is provided) or by a hard-copy mailer.

Each applicant also receives an output document—either a SAR (paper or electronic) or *SAR Acknowledgement*. To determine what a student will receive, consult the table below. (Note that if an e-mail to the student is returned as undeliverable, a paper output document will be sent.)

Reviewing the SAR and SAR Acknowledgement

The student does not need to take or send the SAR to a school that already received the student’s EFC and FAFSA information electronically on the *Institutional Student Information Record*. If a student wants an additional school to receive the information, the

student can add that school to the list (see page 18) or give the school permission to add itself. Note that the school must receive the student’s information in one of the above forms before the student may receive federal aid at that school.

A student can request a copy of his or her SAR by calling the FSAIC (see inside front cover of this handbook). An automated system will ask the student to enter his or her SSN and the first two letters of his or her last name. The duplicate SAR is then sent automatically. TTY users (and those without a touch-tone phone) will be connected to an operator rather than to an automated system.

Note: The SAR and *SAR Acknowledgement* are currently produced only in English.

SAR

Unless the student’s SAR is identified as having problems (this is called a “rejected” SAR), the EFC is printed on the front page at the upper right. The SAR also includes instructions such as how to make corrections to the data the student supplied on the FAFSA.

In addition, there is a section for the financial aid administrator’s use and a section of summary data from the NSLDS. If the student has not had any previous federal student aid, this section will be blank.

Finally, there is a summary detailing the information the student supplied on the FAFSA. On the paper SAR, there is space for the student to correct the information (if necessary). Data elements questioned by the CPS are highlighted in bold type.

If a student receives a rejected SAR, the form will highlight specific information for the applicant to provide so the CPS can determine his or her eligibility. A rejected SAR does not include an EFC. A rejected

Type of FAFSA	e-mail supplied?	Type of SAR	When SAR arrives (at the latest)
FAFSA on the Web	Yes	e-mail link to SAR information online	If FAFSA signed with PIN(s): 3–5 days; if signature page used: 2 weeks
	No	Paper <i>SAR Acknowledgement</i>	If FAFSA signed with PIN(s): 7–10 days; if signature page used: 2 weeks
FAFSA submitted by school	Yes	e-mail link to online SAR	3–5 days
	No	Paper <i>SAR Acknowledgement</i>	7–10 days
Paper FAFSA	Yes	e-mail link to online SAR	2 weeks
	No	Paper SAR	3 weeks
Corrections on the Web	Yes	e-mail link to online SAR	1–5 days
	No	Paper <i>SAR Acknowledgement</i>	7–10 days

SAR is sent when an application (a) has inconsistent or insufficient data to calculate an EFC, (b) lacks required signatures or (c) has an invalid student SSN or—in the case of a dependent student—lacks a valid SSN for at least one parent.

If the student makes any changes to the data on the SAR, he or she may either return the form for reprocessing or make the changes through *Corrections on the Web* (see page 18). At some schools, financial aid administrators can make the changes electronically.

Data Release Number (DRN)

The student's DRN appears at the top right corner of the online SAR and at the bottom left corner of the first page of the paper SAR. The student will need the DRN if he or she wants to add a school to his or her record, either by having a school add itself electronically or by calling the FSAIC. As noted on page 18, the student can use his or her PIN to add schools through *Corrections on the Web*. The DRN is not the same as the PIN: when the student provides the DRN to the financial aid administrator or the FSAIC, the student is providing permission for the financial aid administrator or the FSAIC to access his or her application record, while the PIN gives the student direct access to his or her file and acts as an electronic signature. The PIN should never be shared with anyone.

Viewing SAR Information Online

Once the FAFSA is processed, applicants with PINs can go to the *FAFSA on the Web* site and click on "View and Print Your Student Aid Report" to view SAR information. The SAR is available online whether the student applied electronically or not *and* whether he or she provided an e-mail address or not.

A link to the electronic SAR is sent instead of a paper SAR when a student supplies a valid e-mail address on the FAFSA. Unlike the link to the PIN, which is accessible only once, the link to the electronic SAR remains active for repeated access. The electronic SAR shows the same information the paper SAR does. The student will be able to print a copy of the SAR for reference.

SAR Acknowledgement

This acknowledgement is sent when the student does not supply a valid e-mail address but does receive a PIN. The *SAR Acknowledgement* allows the student to review the processed FAFSA information and results. If changes or corrections are needed, they must be made through the school or through *Corrections on the Web* (which is accessed using the PIN), or the student may request a duplicate paper SAR to make a correction.

Verification

The effectiveness of the federal student aid programs depends on the accuracy of the data reported by students. It directly affects the eligibility of millions of applicants for these programs. Because of this, the CPS follows procedures established by federal regulations to select students for a process called verification.

The CPS prints an asterisk next to the EFC on the SAR to identify students who have been selected for verification. A code also is provided on the information sent to schools. If the student is selected for verification, a school's financial aid administrator must check the information the student reported on the FAFSA, usually by requesting a copy of signed tax returns filed by the student and, if applicable, by the student's parent(s) or spouse. Many schools also select applications to be verified in addition to those selected by the CPS.

A student selected for verification should contact each school he or she listed on the FAFSA to see what documentation the school requires to verify the student's FAFSA information.

Making Changes

There are situations in which the student will have to change information that was reported on the application. This consists of correcting errors or updating certain information.

Corrections and Updating

When a student files a FAFSA, it creates a "snapshot" of the financial situation of the student's family as of the date the application was signed. Errors may occur, however, because the student filled in the wrong information on the FAFSA. The student must correct this information so it is accurate as of the day the FAFSA was originally signed.

What Information Can Be Changed

The student is not allowed to update income or asset information to reflect changes to the family's financial situation that took place after the FAFSA was filed. For example, if the student's family spent some of their savings after filing the FAFSA, the student may not update his or her information to show a change in the family's assets. However, there are three items that the student **must** update:

- any change in dependency status (see discussion of dependency status on pages 18 and 19);
- a change in the number of family members in the household (must be updated *only if* the student is selected for verification); and
- a change in the number of family members enrolled in postsecondary schools (must be updated *only if* the student is selected for verification).

Note: If any of these changes occurs as a result of a change in the student's marital status, the student is not permitted to update accordingly.

How to Make Changes

As previously stated, students can make corrections using the SAR or can have the school transmit corrections electronically using its access to the CPS. Even if the student did not originally apply through the school, a school may still be able to make the corrections electronically if the student takes the corrected information to the school.

The student can quickly and easily correct or update information using *Corrections on the Web*. *Corrections on the Web* is available to any student with a PIN, whether the student applied electronically or on paper. It can be found at the *FAFSA on the Web* site at

www.fafsa.ed.gov

Corrections on the Web allows the student to change all data elements except the SSN. The PIN the student uses to access *Corrections on the Web* acts as an electronic signature, so there is no need for the student to send a signature page to the CPS. If a dependent student changes information about his or her parent(s), one of those parents must sign electronically using his or her own PIN or must sign a signature page.

A student who did not provide an e-mail address on the FAFSA will be able to add it at *Corrections on the Web* and will then receive an e-mail with a link to the online SAR information. The e-mailed link arrives within one to five days; the paper SAR takes up to two weeks. The student's corrections also will be sent to the school on an *Institutional Student Information Record (ISIR)*.

If a student makes changes that don't require the CPS to perform a data match, the changes will be made immediately, and the student's confirmation page will include an official EFC. The student can view the online SAR information immediately.

The student should speak to the school's financial aid office directly if there will be a significant change in the family's income for the present year or other special circumstances that cannot be reported on the FAFSA or SAR.

Dependency Status and Overrides

Most students entering a postsecondary school straight from high school are considered financially dependent on their parents. This means their parents must provide information on the FAFSA (see Part 3 of this handbook). In unusual circumstances, a student who would normally be considered dependent can be considered independent. The financial aid administrator at a school can make a special determination of independence and override the student's dependency status on the FAFSA.

Students who believe that they have compelling and unique reasons to be considered independent should contact the financial aid office at the school they are planning to attend.

Note: Students should be aware that the school is not required to perform dependency overrides, and if the financial aid administrator determines that an override is not appropriate, the decision cannot be appealed to the U.S. Department of Education.

For more information about dependency overrides, see the sidebar on page 19.

Adding a School

If a student wants to make his or her FAFSA information available to an additional school after filing the FAFSA, the student may use the paper SAR or *Corrections on the Web* to add the new school.

Alternatively, the student may call the FSAIC to add the school or may give the school permission to add itself. In these cases, the student will need to provide his or her DRN from the SAR.

Note: No more than six schools may be listed on the student's FAFSA at one time. When new schools are added, a corresponding number of schools will be removed from the list and will not have automatic access to any new information.

DEPENDENCY OVERRIDES AND SPECIAL CIRCUMSTANCES

Dependency status is determined by specific criteria and can be changed by a financial aid administrator (FAA) only in unusual circumstances. A student cannot be determined to be independent just because

- The parents don't want to provide information on the FAFSA due to privacy concerns;
- The parents don't feel it's their responsibility to provide financial assistance for college;
- The parents no longer claim the student as a dependent on their taxes; or
- The student no longer lives at home.

The student should contact the FAA at his or her college to discuss dependency status if he or she is in a situation such as these:

- The student has no contact with the parents and does not know where they are (and the student has not been adopted by someone else); or
- The student has left home due to an abusive situation.

In special circumstances, the FAA may choose to make adjustments to certain items on the FAFSA to account for financial difficulties. The student should contact the FAA at his or her college to discuss special circumstances if

- The family has unusually large medical bills that are not covered by insurance;
- The family is paying unusually high elementary or secondary school tuition; or
- The student or a parent has recently lost his or her job.

The lists above are examples and are not to be taken as complete and definitive. An FAA is required to assess situations on a case-by-case basis and then make a decision whether to make adjustments to the FAFSA based upon special circumstances that the student can appropriately document.

The best thing you can do to help a student who believes he or she should be considered independent or who has special financial circumstances is to encourage the student to gather as much written evidence as possible and to provide it to the financial aid office at the school he or she plans to attend. Documentation to support a request for independent status could include a letter from a third party (such as a member of the clergy) who knows the student's situation. Special financial circumstances might be demonstrated with items such as medical or child care bills or with proof of the loss of employment of a family member.

Please make it clear to students that the FAA is not required to adjust dependency status or financial elements on the FAFSA. The FAA's decision is final and cannot be appealed to the U.S. Department of Education.

To help students understand dependency status and whose information to report on the FAFSA, give them copies of "Am I dependent or independent?" and "Who is my 'parent' when I fill out the FAFSA?" from Appendix E of this handbook.

2006–07 Deadlines

Here are some important deadlines for the 2006–07 application cycle for students and schools. At the time this book was published, most of these dates were not official and were scheduled to be announced by July 2006. For further information after July 2006, contact the Federal Student Aid Information Center (see inside front cover of this handbook) or consult our Information for Financial Aid Professionals site at www.ifap.ed.gov

A 2006–07 FAFSA or a Renewal FAFSA must be submitted to the application processor

- no earlier than Jan. 1, 2006
- and received no later than July 2, 2007

Note: State-imposed deadlines for state aid appear on *FAFSA on the Web* and on the front page of the paper FAFSA. Schools may have their own deadlines for federal campus-based and school financial aid.

If a student needs to make corrections, the corrections must be received by the application processor no later than

- Sept. 17, 2007 (paper SAR submission)
- Sept. 17, 2007 (12:00 midnight Eastern time) (electronic submission via *Corrections on the Web*)
- Sept. 17, 2007 (electronic submission via school)

A student and/or parent submitting a signature page must send it so it reaches the processor no later than

- Sept. 17, 2007

A student may request a duplicate SAR through

- Sept. 17, 2007

To establish a student's eligibility for a Federal Pell Grant, a school must receive a SAR or electronic information for the student while the student is still enrolled for that award year, but no later than

- Sept. 24, 2007

A student whose application information is being verified must complete verification by

- Sept. 24, 2007 or 120 days after his or her last day of enrollment, whichever is earlier

Verification is considered complete for Federal Pell Grants when the school receives a valid SAR, *SAR Acknowledgement* or ISIR on which all information used to calculate the EFC is correct. Therefore, although a student has 120 days or until Sept. 24, 2007 to provide documentation, the student also must have any corrections processed by this deadline. Note that the disbursement of funds from certain programs may be restricted to shorter periods.

DID YOU KNOW...

The Federal Student Aid Information Center (1-800-4-FED-AID) frequently gets calls from students or parents who have paid for student aid applications or advice and then learned they could have gotten the same services for free elsewhere. If you want to remind your students that the FAFSA and federal student aid advice are free, you need our "Don't Get Stung!" poster. You can download a PDF from www.studentaid.ed.gov/stung and print it out on 8.5"x11" paper, or you can order a full-size poster from FSAPubs at 1-800-394-7084 or www.FSAPubs.org.

COMPLETING THE FREE APPLICATION FOR FEDERAL STUDENT AID

As mentioned in Part 2 of this handbook, if a student wishes to receive federal student aid to attend a postsecondary school, he or she must complete the *Free Application for Federal Student Aid* (FAFSA). Many states and schools also rely on the FAFSA to award their state and institutional student aid funds.

Note: Please be sure your students understand that a student does not have to pay to have the FAFSA processed. If the student is asked to pay a fee, he or she should consider what other services are being offered and remember that free advice on student aid is available. Encourage students to consult a high school or TRIO counselor, a college financial aid administrator (FAA), or the Federal Student Aid Information Center (FSAIC) (see inside front cover of this handbook) before considering paying for advice or an application service.

A student can complete and submit the FAFSA electronically through *FAFSA on the Web* (see Part 2 of this handbook) at www.fafsa.ed.gov

A student also can submit the FAFSA electronically by asking the FAA at the school to transmit the information through U.S. Department of Education (ED) software. Not all schools have this capability.

If neither of these options is available, a student can complete a paper FAFSA and mail it to the address specified on the first page of the FAFSA.

A draft copy of the 2006–07 paper FAFSA appears at the end of this section, beginning on page 27. This copy is for information purposes only and not for submission. Comments to improve the FAFSA may be sent to fafsacommments@ed.gov or to **U.S. Department of Education**
Washington, DC 20202-4700

Pointers for Completing the FAFSA

The paper FAFSA for 2006–07 is white, blue and purple. Blue sections are for students to complete; purple sections are for parents to complete.

The following description of the FAFSA follows the order of questions on the paper version of the application but also indicates where questions are found on the *FAFSA on the Web Worksheet*. This information should help counselors answer

questions that students and parents might have about the FAFSA.

Note that not every question is discussed here because several are self-explanatory.

NEED MORE DETAILED INSTRUCTIONS FOR THE FAFSA?

FAFSA on the Web (www.fafsa.ed.gov) has help screens for each question, as well as live, one-on-one online help from a customer service representative.

However, if you're not filling out the FAFSA online and just need to check out how to answer a specific question, you need Completing the FAFSA at www.studentaid.ed.gov/completefafsa

Completing the 2006-07 FAFSA Free Application for Federal Student Aid		
General Information	The Application Process	The Application Questions
Throughout this Web site, "you" and "your" refer to the student. "School" refers to the school, college, or postsecondary institution you attend (or are applying to).		
Why Complete a FAFSA	This Web site explains how to complete the 2005-06 <i>Free Application for Federal Student Aid</i> (FAFSA). It explains the purpose of the FAFSA questions. This site also contains a section that provides answers to several frequently asked questions (FAQs). If you have additional questions about federal student aid or how to complete an electronic or paper application after you review this site, you can call the Federal Student Aid Information Center (FSAIC) at 1-800-4-FED-AID (1-800-433-3243) or contact your financial aid administrator (FAA). You can also go to the Department of Education's <i>Student Aid on the Web</i> site at www.studentaid.ed.gov .	
Federal Student Aid		
Eligibility	You can complete a FAFSA in the following ways:	
Sources of Information	<ul style="list-style-type: none"> Online (<i>FAFSA on the Web</i>) at www.fafsa.ed.gov On paper 	
Frequently Asked Questions	In some cases, you might be able to apply directly through your school. You should check with the financial aid administrator at the school you are interested in attending to see if the school will assist you with your application. If you are using either <i>FAFSA on the Web</i> or the paper version, you can use the instructions on this Web site as a guide to help you complete the application process. Throughout this site, the term "FAFSA" refers to both the online and paper version unless otherwise specified.	
Privacy Act		
Paperwork Reduction Act	Applying online is generally faster and easier for two reasons:	
Home	<ul style="list-style-type: none"> <i>FAFSA on the Web</i> has built-in help to guide you through the application process. The schools you list on your application will receive your processed information faster. 	

Completing the FAFSA offers a full discussion of each question on the FAFSA. It follows the order of the questions on the paper application so you can quickly find the information you need. Use it online or download it in PDF—whichever is easiest for you.



This section focuses on information that is not contained in the FAFSA: discussion of questions that might be interpreted in different ways and/or those for which additional clarification might be of use.

Note: To avoid mistakes and delays in processing, it is crucial that students and parents carefully read and follow all directions on the FAFSA. Help with the application is available via live, one-on-one online “chat” with a customer service representative as the student completes *FAFSA on the Web* at www.fafsa.ed.gov. The student should click on the “live help” icon to access this feature. Students who fill out the paper form may call the FSAIC.

STEP ONE:

Student Personal Information (Paper FAFSA questions 1–31; worksheet section 1)

Purpose: Step One collects information used to track and identify a student (name, telephone number, address, Social Security number and so on) as well as other information that affects a student’s basic eligibility for federal (and/or state and some institutional) student aid. For instance, there is a question about citizenship because a student must be a U.S. citizen (or eligible noncitizen) to receive federal student aid.

Questions 1–3 ask for the student’s name. Because ED matches the student’s name and Social Security number (SSN) with the Social Security Administration (SSA), the name here should match the name on the student’s Social Security card. Otherwise, the student will be told there was an inconsistency during processing, and other data matches could be affected, resulting in the student being asked for additional documentation, thereby slowing the application and aid-awarding process for the student.

Questions 4–7 ask for the student’s permanent mailing address. The student generally must give a permanent home mailing address (not a school or office address).

Question 8 asks for the student’s SSN. A student must have an SSN to apply for federal student aid. If the student submits a FAFSA without an SSN, the FAFSA will be returned to the student unprocessed. To get an SSN, or to determine a student’s SSN if the card has been lost, the student must contact the local Social Security office. For additional information (in English and Spanish), call the SSA at **1-800-772-1213 (TTY: 1-800-325-0778)**.

Exception: A student from the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau is not required to have an

SSN. ED’s Central Processing System (CPS) will assign an identification number to these students after they apply. We recommend the student continue to use the same number throughout his or her dealings with the federal student aid programs.

The student should be very careful when entering his or her SSN. Although the SSN can be corrected after the *Student Aid Report (SAR)* is produced, the number originally entered will always be used as the student’s ID and is likely to cause confusion and extra work for the financial aid administrator (FAA) if it doesn’t match the student’s SSN. (If a student submits an erroneous SSN, he or she should check with the FAA to determine whether to file a new original FAFSA using the correct SSN.)

Question 13 asks for the student’s e-mail address. Although the space provided on the paper FAFSA allows for a 40-character address, ED’s computer system has room for 50 characters. If the student runs out of space on the paper FAFSA, he or she should write the rest of the e-mail address next to or under Question 13. As long as the address is legible, the data entry staff will enter it in our system. If the student completes Question 13 with illegible or otherwise questionable characters, the CPS will treat the application as if there were no e-mail address at all.

Question 14 asks about U.S. citizenship and eligible noncitizenship. This is the first question on the FAFSA to refer to a reference note on page 2 of the application. The note defines who is an “eligible noncitizen.” (Refer to the copy of the FAFSA beginning on page 27 of this handbook.)

An eligible noncitizen should provide his or her Alien Registration Number in Question 15.

Questions 18–20 ask for the student’s state and date of legal residence. This information is used in the EFC calculation to determine the appropriate allowance for state and other taxes paid by that state’s residents. It also indicates which state agency should receive the student’s FAFSA information. (Many state agencies use the FAFSA to award state-based student aid.)

Different states have different definitions of legal residence; if the student is unsure, he or she should contact the FAA at a school in his or her state.

Question 24 asks for the student’s grade level at the beginning of the 2006–07 school year. This question helps determine the award amount under some state grant programs and establishes how much money the student may borrow under federal loan limits.

Question 25 asks whether the student will have a high school diploma or GED before enrolling. A homeschooled student should answer “Yes” if (a) he or she will have completed a home-study program recognized by his or her home state, or (b) state law does not require a homeschooled student to obtain the appropriate credential, and the student has completed in the home a secondary school education

that qualifies as an exemption from the compulsory attendance requirements under state law.

Question 26 asks whether the student will have a first bachelor's degree before July 1, 2006. Eligibility for Federal Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOGs) is almost exclusively restricted to students who have not yet received bachelor's degrees.

Questions 27 and 28 ask the student to indicate what types of aid, in addition to grants, he or she is interested in receiving. If a student isn't sure about wanting loans or work-study, he or she should answer "Yes." Here's why: Most institutions have limited Federal Perkins and Federal Work-Study funds. If a student answers "No" to those questions early in the application process, there might not be any remaining unawarded funds later if the student changes his or her mind. By answering "Yes" on the initial application, the student will be considered for all types of aid that are available. Also, answering "Yes" to loans and work-study will not adversely affect the student's eligibility for ED grants. At a later date, the student can decline any awarded aid he or she does not want.

Questions 29 and 30 ask for the highest level of school completed by the student's father and mother. Some state agencies use this information to award grants and scholarships. "Father" and "mother" in these questions mean the student's birth parents or adoptive parents, but not stepparents or foster parents. Note that this definition of parents is unique to this question. All other questions use the definition given on page 7 of the FAFSA.

Question 31 asks whether the student has been convicted of possessing or selling illegal drugs. **If the student has been convicted, he or she is not necessarily ineligible for aid.** Students with convictions will complete an electronic worksheet online or will receive worksheets through the mail to determine whether the conviction affects the student's eligibility for federal student aid in the upcoming award year. Students with convictions should still complete and submit the FAFSA because even if they are ineligible for federal student aid, they may still be eligible for state or institutional aid. Many states and schools use the data supplied by the FAFSA to determine students' eligibility for aid from those entities.

If a student leaves question 31 blank, he or she will not be able to receive aid from ED's federal student aid programs.

STEP TWO:

Student Income and Asset Information (Paper FAFSA questions 32–47; worksheet section 3)

Purpose: **Questions 32–47** collect the student's (and spouse's) income and asset information. (The FAFSA

collects parents' income and asset information in Step Four.) The questions about income collect information on the "base year." The base year for applicants for 2006–07 is the 2005 tax year. Questions give line references to the 2005 federal tax forms from the Internal Revenue Service (IRS).

Question 34 asks the student whether he or she was eligible to file a 1040A or 1040EZ. The CPS uses this information to identify who is eligible for the "simplified needs test" (see below, under Questions 43–45).

Questions 35–39 ask the student (and spouse) for income and tax information reported on his or her tax returns. Each question gives the line reference to the 2005 IRS tax forms. Note: ED does not require that a student file the IRS tax forms before completing the FAFSA. Students and parents who have not yet filed their tax forms when they complete the FAFSA should estimate amounts as accurately as possible, correcting the information if necessary once the tax forms are filed. Information on correcting FAFSA data is on pages 17 and 18 of this handbook.

If the student files a foreign tax return, the student should convert the value of the foreign income and taxes paid into U.S. dollars, using the exchange rate in effect at the time he or she completes the FAFSA. The daily exchange rate can be found at www.federalreserve.gov/releases/h10/update

Questions 40–42 collect information about the student's (and spouse's) untaxed income and benefits and income exclusions. To provide this information, the student completes the columns on the left side of Worksheets A, B and C. (Copies of the worksheets are on page 34 of this handbook.) It is important to review the items on these worksheets carefully, even if the student may have just a few of these items to report. These worksheets are not submitted to ED. Instead, the student enters the totals for the worksheets in Questions 40–42 and retains the worksheets in case the financial aid administrator has a question about the data submitted.

Worksheet A asks for (among other things) "Social Security benefits received...that were not taxed." Tax filers can determine this amount from the IRS Form 1040 by subtracting the taxable portion of Social Security benefits from total Social Security benefits.

Questions 43–45 ask the student for information about assets.

The Central Processing System (CPS) will automatically calculate a simplified EFC for a student who meets certain income and tax-filing requirements. (See page 13.) Family assets are not used in the simplified EFC calculation. However, even if the asset information isn't taken into account in calculating the EFC, some states and schools require this information for their own programs. A note on page 2 of the FAFSA states that students who use *FAFSA on the Web* might be



able to skip certain questions on the application. A student without access to *FAFSA on the Web* should complete the entire paper application. The CPS will make the adjustment (omitting certain items from the EFC calculation) for the applicant if appropriate.

It is important for students to read the notes for the investment questions (44 and 45); the notes specify certain items to include and not to include.

A Coverdell Education Savings Account (formerly Education IRA) in the student's name should be included in the student's assets, even if the parents opened the account and have made every contribution to it.

Questions 46 and 47 ask about the student's veterans education benefits and for how many months they will be received during the award year. Benefits reported here should include those paid under the following programs: Montgomery GI Bill—active duty; vocational rehabilitation; Post-Vietnam Era Veterans' Educational Assistance Program; Dependents Educational Assistance Program; Reserve Officer Training Corps (ROTC) scholarship; Selective Reserve; Selective Reserve Educational Assistance Program; ROTC program; Restored Entitlement Program for Survivors (or Quayle benefits); and Educational Assistance Pilot Program. (These programs are described in chapters 30, 31, 32 and 35 of title 38 of the United States Code; chapters 2, 106 and 107 of title 10 of the United States Code; chapter 2 of title 37 of the United States Code; section 156 of Public Law 97-376; and section 903 of Public Law 96-342.)

NEW: Note that Reserve Educational Assistance Program (also known as Chapter 1607) benefits, paid to reservists called to active duty after Sept. 10, 2001, should be reported in FAFSA questions 46 and 47.

Veterans education benefits are not used in the EFC calculation. However, schools do take veterans benefits into account when packaging aid. For information about how veterans benefits are used in awarding aid, consult Volume 3 of the *Federal Student Aid Handbook* at www.ifap.ed.gov (click on "Current Publications").

STEP THREE:

Dependency Status Questions (Paper FAFSA questions 48–54; worksheet section 2)

Purpose: The questions in this step determine whether a student is a dependent student or an independent student for purposes of calculating the EFC. If the student answers "Yes" to any one of these questions, he or she is classified as an independent student, even if the student is still living with his or her parents. If the student is not living with his or her parents but cannot answer "Yes" to any of these questions, the student is dependent and must include his or her parents' information in Step Four.

Even if the student has unusual circumstances, this section must be answered. A school's financial aid administrator (FAA) has the authority to override a student's dependency status on the initial application or by correcting the SAR if the FAA decides that a dependent student should be considered an independent student. The FAA's decision is final and cannot be appealed to ED. For more information regarding dependency overrides, see the box on page 19.

Question 51 asks the student whether he or she has children who receive more than half of their support from the student. A student whose unborn child will be born before the end of the award year and will be provided more than 50 percent support by the student can answer "Yes" to this question. This guidance applies to male students as well as to female students.

Question 54 asks whether the student is a veteran of the U.S. Armed Forces. If the student answers "Yes" to being a veteran, the name is submitted for a database match with the U.S. Department of Veterans Affairs.

A student answering "Yes" to any question in Step Three skips Step Four and goes to Step Five. A student answering "No" to every question here goes to Step Four.

STEP FOUR:

Parent Information (Paper FAFSA questions 55–83; worksheet sections 7 and 5)

Questions 55–69/Worksheet Section 7: Parent Personal Information

Purpose: Questions 55–69 collect information about the student's parents and their household.

Before completing these questions, the student should read the notes on page 7 of the FAFSA; these notes explain who is considered a parent. The student should also note that, for the purpose of completing the FAFSA,

- Legal guardians: Legal guardians are not considered to be a student's parents.
- Foster parents: Foster parents are not considered to be a student's parents.
- Grandparents (or aunts or uncles): Nonparent relatives (or nonrelatives) are NOT considered to be the student's parents—even if the student is living with them—unless they have adopted the student.
- Common-law marriage: If a student's parents are living together and are not married but meet the criteria in their state for a common-law marriage, the parents should be reported as married. If the state does not consider the situation to be a common-law marriage, then the parent information should be filled out as if they are divorced.

Note: If the student's last surviving parent dies after the FAFSA has been filed, the student must update question 53 using the methods described on pages 17 and 18 of this handbook for updating information.

Many students have questions about Step Four of the FAFSA because they do not consider their parent(s) to be their primary source of support. Perhaps the student lives with another relative and is no longer in touch with his or her parents, or perhaps he or she left home due to an abusive situation and has been self-supporting for years. In cases such as these, the student should contact the FAA at the school he or she plans to attend. If the student reports the (nonparent) relative's information or simply leaves Step Four blank, processing of his or her student aid could be delayed. Please remind the student that any decision made by the FAA regarding unusual circumstances is final and cannot be appealed to ED. (See the box on page 19 for more information about dependency status and special circumstances.)

Questions 57 and 61 ask for parents' SSNs. A dependent student's application will be rejected if there is not at least one parent's SSN, last name, first initial and date of birth.

Question 65 collects information on how many people are in the parents' household. The applicant should include the people listed in the notes on page 7 of the FAFSA. Additionally, the parents' unborn child may be included if that child will be born on or before June 30, 2007.

Question 66 asks who in the parents' household will be college students in 2006–07 in a program that leads to a college degree or certificate. The FAFSA notes say to count the student, even if he or she is attending college less than half time in 2006–07. However, others in the parents' household may be included only if they will attend at least half time in 2006–07 in a program leading to a degree or certification. Furthermore, they must be attending a postsecondary institution that is eligible to participate in ED's federal student aid programs. Parents may not be included in the number in college.

Question 67 asks for the parents' state of legal residence. Students whose parents do not live in the U.S. should enter "FC" (foreign country) for this question.

Questions 70–83/Worksheet Section 5: Parent Income and Asset Information

Purpose: Questions 70–83 collect the student's parents' income and asset information to calculate the parents' portion of the EFC.

Note: A portion—and only a portion—of the parents' income and assets is included in the EFC as being available for the student's educational costs.

Questions 70–83 in Step Four ask for the same information from parents as Questions 32–45 in Step Two ask from students. For explanations of these questions, see pages 23 and 24. Consult the table below to determine which Step Two question corresponds to which Step Four question.

Step Two (Student Information)	Step Four (Parent Information)
32	70
33	71
34	72
35	73
36	74
37	75
38	76
39	77
40	78
41	79
42	80
43	81
44	82
45	83

STEP FIVE:

Independent Student Household Information (Paper FAFSA questions 84 and 85; worksheet section 4)

Purpose: Questions 84 and 85 collect information about independent students. Only students who answered "Yes" to one or more questions in Step Three complete this step.

Question 84 collects information on how many people are in the student's household. The applicant should include the people listed in the note on page 7 of the FAFSA. Additionally, the student's unborn child may be counted if that child will be born on or before June 30, 2007 and the student will provide more than half of the child's support.

Question 85 asks how many of the student's household will be students in 2006–07 in a program that leads to a college degree or certificate. The FAFSA tells the student to count himself or herself. The student may include others in the household only if they will attend at least half time in 2006–07. Furthermore, they must be attending a postsecondary institution that is eligible to participate in ED's federal student aid programs.



STEP SIX:

Schools to Receive FAFSA Information (Paper FAFSA questions 86–98; worksheet section 8)

Purpose: These questions collect information about which postsecondary schools the student is interested in attending.

Questions 86–97 ask the student to list up to six schools. ED will send the student's information to each school listed. For each school, the student indicates whether he or she expects to live on campus, off campus, or with his or her parent(s), because housing costs are part of the cost of attendance to be determined by the school and, therefore, affect the amount of financial aid that the student can receive at that school.

To find out whether a school participates in ED's federal student aid programs, a student can call the Federal Student Aid Information Center (FSAIC) at **1-800-4-FED-AID (1-800-433-3243)**; **TTY: 1-800-730-8913**; number for inquirers calling from foreign countries: **+1-319-337-5665** or search for the school on the federal school codes list at www.fafsa.ed.gov

If the student wants information sent to more than six schools, he or she will have to wait until the FAFSA is processed before changing the schools listed. Part 2 of this handbook describes how a student can add or change schools on the list.

Note: ED's central processor will send data to no more than six schools at a time for one student. For example, if a student originally listed six schools on the application, then replaced some or all six schools with new schools, then updated or corrected information on the SAR or *Corrections on the Web*, only the remaining set of schools would get the updated or corrected data.

Question 98 asks about the student's enrollment status (full time, half time, etc.) at the beginning of the 2006–07 academic year. The student should answer based on the school he or she is most likely to attend. The notes on page 7 of the FAFSA define "full time," "half time," and the other terms used in this question. A student who is unsure what his or her enrollment status will be should answer "full time." Some schools will not award a full range of aid to students who indicate they will attend part time.

STEP SEVEN:

Signatures (Paper FAFSA questions 99–103)

Purpose: These questions collect the date the FAFSA was completed and student (and parent) signatures (and, if applicable, the FAFSA preparer's information and signature).

Before signing, the student (and parent) should read the text to the left of Questions 99 and 100.

Note: If students and/or parents purposely give false or misleading information, they may be fined \$20,000, sent to prison, or both.

Question 100 is where the student signs the FAFSA. If parents' information was provided in Step Four, a parent must sign the FAFSA here. Only one parent who provided information must sign. (For information about signing *FAFSA on the Web*, see pages 13 and 14.)

There are some circumstances when a high school counselor or a postsecondary school's financial aid administrator (FAA) may sign the application in place of parents:

- the parent(s) are not currently in the United States and cannot be contacted by normal means;
- the current address of the parent(s) is not known; or
- the parent(s) have been determined physically or mentally incapable of providing a signature.

Substituting the signature of a counselor or FAA is a way to move the FAFSA through the processing system. The counselor or FAA must provide his or her title in parentheses next to his or her signature and briefly state the reason he or she is signing for the parent(s).

By signing in place of a parent, the counselor or financial aid administrator is assuring a minimum level of credibility for the data submitted. However, the counselor or financial aid administrator does not assume any responsibility or liability in this process. If a financial aid office finds any inaccuracies in the information reported, the student must correct the information through the correction process described in Part 2 of this handbook.

Questions 101–103 If someone other than the student, the student's spouse, or the student's parent(s) filled out the FAFSA, they must complete these questions. High school counselors, FAAs, TRIO counselors and others who help students with their FAFSAs by actually completing line items or dictating responses are considered preparers. Preparers must complete the appropriate section of this step even if they are not paid for their services.

Note: The "school use only" box at the end of the paper FAFSA is for postsecondary school use, not for high school use.



FAFSA

July 1, 2006 — June 30, 2007

FREE APPLICATION FOR FEDERAL STUDENT AID

OMB # 1845-0001



Use this form to apply free for federal and state student grants, work-study and loans.

Or apply free online at www.fafsa.ed.gov.

Applying by the Deadlines

For federal aid, submit your application as early as possible, but no earlier than January 1, 2006. We must receive your application no later than July 2, 2007. Your college must have your correct, complete information by your last day of enrollment in the 2006-2007 school year.

For state or college aid, the deadline may be as early as January 2006. See the table to the right for state deadlines. You may also need to complete additional forms. Check with your high school guidance counselor or a financial aid administrator at your college about state and college sources of student aid and deadlines.

If you are filing close to one of these deadlines, we recommend you file online at www.fafsa.ed.gov. This is the fastest and easiest way to apply for aid.

Using Your Tax Return

If you are supposed to file a 2005 federal income tax return, we recommend that you complete it before filling out this form. If you have not yet filed your return, you can still submit your FAFSA, but you must provide income and tax information. Once you file your tax return, correct any income or tax information that is different from what you initially submitted on your FAFSA.

Filling Out the FAFSA

Your answers on this form will be read electronically. Therefore:

- use black ink and fill in ovals completely:
- print clearly in CAPITAL letters and skip a box between words:
- report dollar amounts (such as \$12,356.41) like this:

Correct ● Incorrect ✗ ✓

I 5 E L M S T

\$ 1 2 , 3 5 6 no cents

Blue is for student information and purple is for parent information.

If you or your family has unusual circumstances (such as loss of employment), complete this form to the extent you can, then submit it as instructed and consult with the financial aid office at the college you plan to attend.

For more information or help in filling out the FAFSA, call 1-800-4-FED-AID (1-800-433-3243). TTY users may call 1-800-730-8913. Or visit our Web site at www.studentaid.ed.gov.

Mailing Your FAFSA

After you complete this application, make a copy of pages 3 through 6 for your records. Then mail the original of only pages 3 through 6 in the attached envelope or send it to: Federal Student Aid Programs, P.O. Box 4691, Mt. Vernon, IL 62864-0059. Do not send the worksheets on page 8; keep them for your records.

If you do not receive the results of your application—a *Student Aid Report (SAR)*—within three weeks, please check online at www.fafsa.ed.gov or call 1-800-433-3243. If you provided your e-mail address in question 13, you will receive information about your application within a few days after we process it.

Let's Get Started!

Now go to page 3, detach the application form and begin filling it out. Refer to the notes as instructed.

STATE AID DEADLINES

File Online and File On Time
www.fafsa.ed.gov

- AK April 15, 2006 (date received)
- AR For Academic Challenge - June 1, 2006 (date received)
For Workforce Grant - Contact your financial aid administrator.
- AZ June 30, 2007 (date received)
- *^ CA For initial awards - March 2, 2006
For additional community college awards - September 2, 2006 (date postmarked)
- * DC June 30, 2006 (date received by state)
- DE April 15, 2006 (date received)
- FL May 15, 2006 (date processed)
- ^ IA July 1, 2006 (date received)
- # IL First-time applicants - September 30, 2006
Continuing applicants - August 15, 2006 (date received)
- IN March 10, 2006 (date received)
- ## KS April 1, 2006 (date received)
- # KY March 15, 2006 (date received)
- ## LA May 1, 2006
Final deadline - July 1, 2006 (date received)
- ## MA May 1, 2006 (date received)
- MD March 1, 2006 (date received)
- ME May 1, 2006 (date received)
- MI March 1, 2006 (date received)
- MN 30 days after term starts (date received)
- MO April 1, 2006 (date received)
- # MT March 1, 2006 (date received)
- NC March 15, 2006 (date received)
- ND March 15, 2006 (date received)
- NH May 1, 2006 (date received)
- ^ NJ June 1, 2006, if you received a Tuition Aid Grant in 2005-2006
All other applicants - October 1, 2006, fall & spring terms - March 1, 2007, spring term only (date received)
- *^ NY May 1, 2007 (date received)
- OH October 1, 2006 (date received)
- # OK April 15, 2006
Final deadline - June 30, 2006 (date received)
- # OR March 1, 2006 (date received)
Final deadline - Contact your financial aid administrator.
- * PA All 2005-2006 State Grant recipients & all non-2005-2006 State Grant recipients in degree programs - May 1, 2006
All other applicants - August 1, 2006 (date received)
- # RI March 1, 2006 (date received)
- SC June 30, 2006 (date received)
- TN For State Grant - May 1, 2006
For State Lottery - September 1, 2006 (date received)
- *^ WV March 1, 2006 (date received)

Check with your financial aid administrator for these states and territories:

AL, *AS, CO, *CT, *FM, GA, *GU, *HI, ID, *MH, *MP, MS, *NE, *NM, *NV, PR, *PW, *SD, *TX, UT, *VA, *VI, *VT, WA, WI and *WY.

For priority consideration, submit application by date specified.

^ Applicants encouraged to obtain proof of mailing.

* Additional form may be required.

ISD5472

STATE AID DEADLINES

COUNSELORS AND MENTORS HANDBOOK ON FEDERAL STUDENT AID 2006-07

Notes for questions 14 – 15 (page 3)

If you are an eligible noncitizen, write in your eight- or nine-digit Alien Registration Number. Generally, you are an eligible noncitizen if you are (1) a U.S. permanent resident with a Permanent Resident Card (I-551); (2) a conditional permanent resident (I-551C); or (3) the holder of an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any one of the following designations: “Refugee,” “Asylum Granted,” “Parolee” (I-94 confirms paroled for a minimum of one year and status has not expired) or “Cuban-Haitian Entrant.” If you are in the U.S. on an F1 or F2 student visa, a J1 or J2 exchange visitor visa, or a G series visa (pertaining to international organizations), you must fill in oval c. If you are neither a citizen nor an eligible noncitizen, you are not eligible for federal student aid. However, you may be eligible for state or college aid.

Notes for question 23 (page 3) — Enter the correct number in the box in question 23.

Enter 1 for 1 st bachelor’s degree.	Enter 6 for certificate or diploma for completing an occupational, technical, or educational program of at least two years.
Enter 2 for 2 nd bachelor’s degree.	Enter 7 for teaching credential program (nondegree program).
Enter 3 for associate degree (occupational or technical program).	Enter 8 for graduate or professional degree.
Enter 4 for associate degree (general education or transfer program).	Enter 9 for other/undecided.
Enter 5 for certificate or diploma for completing an occupational, technical, or educational program of less than two years.	

Notes for question 24 (page 3) — Enter the correct number in the box in question 24.

Enter 0 for never attended college & 1st year undergraduate.	Enter 4 for 4th year undergraduate/senior.
Enter 1 for attended college before & 1st year undergraduate.	Enter 5 for 5th year/other undergraduate.
Enter 2 for 2nd year undergraduate/sophomore.	Enter 6 for 1st year graduate/professional.
Enter 3 for 3rd year undergraduate/junior.	Enter 7 for continuing graduate/professional or beyond.

Notes for questions 29 – 30 (page 3)

Some states and colleges offer aid based on the level of schooling your parents completed.

Notes for questions 33 c. and d. (page 4) and 71 c. and d. (page 5)

If you filed or will file a foreign tax return, or a tax return with Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federated States of Micronesia, or Palau, use the information from that return to fill out this form. If you filed a foreign return, convert all figures to U.S. dollars, using the exchange rate that is in effect today. To view the daily exchange rate, go to www.federalreserve.gov/releases/h10/update.

Notes for questions 34 (page 4) and 72 (page 5)

In general, a person is eligible to file a 1040A or 1040EZ if he or she makes less than \$100,000, does not itemize deductions, does not receive income from his or her own business or farm, and does not receive alimony. A person is not eligible if he or she itemizes deductions, receives self-employment income or alimony, or is required to file Schedule D for capital gains. If you filed a 1040 only to claim Hope or Lifetime Learning credits, and you would have otherwise been eligible for a 1040A or 1040EZ, you should answer “Yes” to this question.

Notes for questions 37 (page 4) and 75 (page 5) — Notes for those who filed a 1040EZ

On the 1040EZ, if a person answered “Yes” on line 5, use EZ worksheet line F to determine the number of exemptions (\$3,200 equals one exemption). If a person answered “No” on line 5, enter 01 if he or she is single, or 02 if he or she is married.

Notes for questions 43 – 45 (page 4) and 81 – 83 (page 5)

By applying online at www.fafsa.ed.gov, you may be eligible to skip some questions. If you do not apply online, you will not be penalized for completing questions 43-45 and 81-83 on the paper FAFSA.

Net worth means current value minus debt. If net worth is one million dollars or more, enter \$999,999. If net worth is negative, enter 0.

Investments include real estate (do not include the home you live in), trust funds, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, Coverdell savings accounts, college savings plans, installment and land sale contracts (including mortgages held), commodities, etc. For more information about reporting education savings plans, call 1-800-433-3243. *Investment value* includes the market value of these investments as of today. *Investment debt* means only those debts that are related to the investments.

Investments do not include the home you live in, the value of life insurance, retirement plans (pension funds, annuities, noneducation IRAs, Keogh plans, etc.), and prepaid tuition plans, or cash, savings, and checking accounts already reported in 43 and 81.

Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, etc. Business and/or investment farm debt means only those debts for which the business or investment farm was used as collateral.

Notes for question 54 (page 4)

Answer “**No**” (you are not a veteran) if you (1) have never engaged in active duty in the U.S. Armed Forces, (2) are currently an ROTC student or a cadet or midshipman at a service academy, or (3) are a National Guard or Reserves enlistee activated only for training. Also answer “No” if you are currently serving in the U.S. Armed Forces and will continue to serve through June 30, 2007.

Answer “**Yes**” (you are a veteran) if you (1) have engaged in active duty in the U.S. Armed Forces (Army, Navy, Air Force, Marines or Coast Guard) or are a National Guard or Reserve enlistee who was called to active duty for purposes other than training, or were a cadet or midshipman at one of the service academies, **and** (2) were released under a condition other than dishonorable. Also answer “Yes” if you are not a veteran now but will be one by June 30, 2007.



FAFSA

July 1, 2006 — June 30, 2007
FREE APPLICATION FOR FEDERAL STUDENT AID

OMB # 1845-0001

Step One: For questions 1–30, leave blank any questions that do not apply to you (the student).

1-3. Your full name (as it appears on your Social Security card)

1. LAST NAME 2. FIRST NAME 3. MIDDLE INITIAL

4-7. Your permanent mailing address

4. NUMBER AND STREET (INCLUDE APT. NUMBER)

5. CITY (AND COUNTRY IF NOT U.S.) 6. STATE 7. ZIP CODE

8. Your Social Security Number

- -

9. Your date of birth

1 9

10. Your permanent telephone number

() -

11-12. Your driver's license number and state (if any)

11. LICENSE NUMBER 12. STATE

13. Your e-mail address

WE WILL USE THIS E-MAIL ADDRESS TO CORRESPOND WITH YOU. YOU WILL RECEIVE YOUR FAFSA INFORMATION THROUGH A SECURE LINK ON THE INTERNET, SENT TO THE E-MAIL ADDRESS YOU PROVIDE. LEAVE BLANK TO RECEIVE INFORMATION THROUGH REGULAR MAIL. WE WILL ONLY SHARE THIS ADDRESS WITH THE SCHOOLS YOU LIST ON THE FORM AND YOUR STATE. THEY MAY USE THE E-MAIL ADDRESS TO COMMUNICATE WITH YOU.

@

14. Are you a U.S. citizen?
 Pick one. **See page 2.**

- a. Yes, I am a U.S. citizen. **Skip to question 16.** 1
- b. No, but I am an eligible noncitizen. **Fill in question 15.** 2
- c. No, I am not a citizen or eligible noncitizen. 3

15.

ALIEN REGISTRATION NUMBER

A

16. What is your marital status as of today?

- I am single, divorced or widowed 1
- I am married/remarried 2
- I am separated 3

17. Month and year you were married, separated, divorced or widowed

MONTH YEAR

18. What is your state of legal residence?

STATE

19. Did you become a legal resident of this state before January 1, 2001?

Yes 1 No 2

MONTH YEAR

Yes 1 No 2

Yes 1 No 2

20. If the answer to question 19 is “No,” give month and year you became a legal resident.

21. Are you male? (Most male students must register with Selective Service to get federal aid.)

22. If you are male (age 18–25) and not registered, answer “Yes” and Selective Service will register you.

23. What degree or certificate will you be working on during 2006–2007 school year? **See page 2** and enter the correct number in the box.

24. What will be your grade level when you begin the 2006–2007 school year? **See page 2** and enter the correct number in the box.

25. Will you have a high school diploma or GED before you begin the 2006–2007 school year?

Yes 1 No 2

26. Will you have your first bachelor's degree before July 1, 2006?

Yes 1 No 2

27. In addition to grants, are you interested in student loans (which you must pay back)?

Yes 1 No 2

28. In addition to grants, are you interested in “work-study” (which you earn through work)?

Yes 1 No 2

29. Highest school your father completed Middle school/Jr. High 1 High School 2 College or beyond 3 Other/unknown 4

30. Highest school your mother completed Middle school/Jr. High 1 High School 2 College or beyond 3 Other/unknown 4

31. **Do not leave this question blank.** Have you ever been convicted of possessing or selling illegal drugs? If you have, answer “Yes,” complete and submit this application, and we will send you a worksheet in the mail for you to determine if your conviction affects your eligibility for aid.

No 1
 Yes 3

DO NOT LEAVE QUESTION 31 BLANK

Step Two: For questions 32–45, report your (the student’s) income and assets. If you are married as of today, report your and your spouse’s income and assets, even if you were not married in 2005. Ignore references to “spouse” if you are currently single, separated, divorced or widowed.

32. For 2005, have you (the student) completed your IRS income tax return or another tax return listed in question 33?
 a. I have already completed my return. 1 b. I will file, but I have not yet completed my return. 2 c. I’m not going to file. (Skip to question 38.) 3
33. What income tax return did you file or will you file for 2005?
 a. IRS 1040 1 b. IRS 1040A or 1040EZ 2 c. A foreign tax return. See page 2. 3
 d. A tax return with Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federated States of Micronesia, or Palau. See page 2. 4
34. If you have filed or will file a 1040, were you eligible to file a 1040A or 1040EZ? See page 2. Yes 1 No 2 Don't Know 3

For questions 35–47, if the answer is zero or the question does not apply to you, enter 0.

<p>35. What was your (and spouse’s) adjusted gross income for 2005? Adjusted gross income is on IRS Form 1040—line 37; 1040A—line 21; or 1040EZ—line 4.</p>	\$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>36. Enter your (and spouse’s) income tax for 2005. Income tax amount is on IRS Form 1040—line 57; 1040A—line 36; or 1040EZ—line 10.</p>	\$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>37. Enter your (and spouse’s) exemptions for 2005. Exemptions are on IRS Form 1040—line 6d or on Form 1040A—line 6d. For Form 1040EZ, see page 2.</p>	<input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>38-39. How much did you (and spouse) earn from working (wages, salaries, tips, combat pay, etc.) in 2005? Answer this question whether or not you filed a tax return. This information may be on your W-2 forms, or on IRS Form 1040—lines 7 + 12 + 18; 1040A—line 7; or 1040EZ—line 1.</p>	\$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>Student (and Spouse) Worksheets (40–42)</p> <p>40-42. Go to page 8 and complete the columns on the left of Worksheets A, B, and C. Enter the student (and spouse) totals in questions 40, 41 and 42, respectively. Even though you may have few of the Worksheet items, check each line carefully.</p>	You (38) \$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> Your Spouse (39) \$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> Worksheet A (40) \$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> Worksheet B (41) \$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> Worksheet C (42) \$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>43. As of today, what is your (and spouse’s) total current balance of cash, savings, and checking accounts? Do not include student financial aid.</p>	\$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>44. As of today, what is the net worth of your (and spouse’s) investments, including real estate (not your home)? Net worth means current value minus debt. See page 2.</p>	\$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>45. As of today, what is the net worth of your (and spouse’s) current businesses and/or investment farms? Do not include a farm that you live on and operate. See page 2.</p>	\$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>
<p>46-47. If you receive veterans’ education benefits, for how many months from July 1, 2006, through June 30, 2007, will you receive these benefits, and what amount will you receive per month? Do not include your spouse’s veterans’ education benefits.</p>	Months (46) <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> Monthly Amount (47) \$ <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> , <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/> <input style="width: 30px;" type="text"/>

Step Three: Answer all seven questions in this step.

48. Were you born before January 1, 1983? Yes 1 No 2
49. At the beginning of the 2006-2007 school year, will you be working on a master’s or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.)? Yes 1 No 2
50. As of today, are you married? (Answer “Yes” if you are separated but not divorced.) Yes 1 No 2
51. Do you have children who receive more than half of their support from you? Yes 1 No 2
52. Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through June 30, 2007? Yes 1 No 2
53. Are (a) both of your parents deceased, or (b) are you (or were you until age 18) a ward/dependent of the court? Yes 1 No 2
54. Are you a veteran of the U.S. Armed Forces? See page 2. Yes 1 No 2

If you (the student) answered “No” to every question in Step Three, go to Step Four.
 If you answered “Yes” to any question in Step Three, skip Step Four and go to Step Five on page 6.
 (Health Profession Students: Your school may require you to complete Step Four even if you answered “Yes” to any Step Three question.)

Step Five: Complete this step only if you (the student) answered "Yes" to any Step Three question.

84. Go to page 7 to determine how many people are in your (and your spouse's) household. Enter that number here.

85. Go to page 7 to determine how many people in question 84 will be college students, attending at least half time between July 1, 2006, and June 30, 2007. Enter that number here.

Step Six: Please tell us which schools may request your information, and indicate your enrollment status.

Enter the 6-digit federal school code and your housing plans. Look for the federal school codes at www.fafsa.ed.gov, at your college financial aid office, at your public library, or by asking your high school guidance counselor. If you cannot get the federal school code, write in the complete name, address, city and state of the college. For state aid, you may wish to list your preferred school first.

	1ST FEDERAL SCHOOL CODE	OR	NAME OF COLLEGE	STATE	HOUSING PLANS
86.	<input type="text" value=""/>		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	87. on campus <input type="radio"/> 1 off campus <input type="radio"/> 2 with parent <input type="radio"/> 3
88.	<input type="text" value=""/>		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	89. on campus <input type="radio"/> 1 off campus <input type="radio"/> 2 with parent <input type="radio"/> 3
90.	<input type="text" value=""/>		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	91. on campus <input type="radio"/> 1 off campus <input type="radio"/> 2 with parent <input type="radio"/> 3
92.	<input type="text" value=""/>		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	93. on campus <input type="radio"/> 1 off campus <input type="radio"/> 2 with parent <input type="radio"/> 3
94.	<input type="text" value=""/>		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	95. on campus <input type="radio"/> 1 off campus <input type="radio"/> 2 with parent <input type="radio"/> 3
96.	<input type="text" value=""/>		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	97. on campus <input type="radio"/> 1 off campus <input type="radio"/> 2 with parent <input type="radio"/> 3

98. See page 7. At the start of the 2006-2007 school year, mark if you will be: Full time 1 3/4 time 2 Half time 3 Less than half time 4 Not sure 5

Step Seven: Read, sign and date.

If you are the student, by signing this application you certify that you (1) will use federal and/or state student financial aid only to pay the cost of attending an institution of higher education, (2) are not in default on a federal student loan or have made satisfactory arrangements to repay it, (3) do not owe money back on a federal student grant or have made satisfactory arrangements to repay it, (4) will notify your school if you default on a federal student loan and (5) will not receive a Federal Pell Grant for more than one school for the same period of time.

If you are the parent or the student, by signing this application you agree, if asked, to provide information that will verify the accuracy of your completed form. This information may include U.S. or state income tax forms that you filed or are required to file. Also, you certify that you understand that **the Secretary of Education has the authority to verify information reported on this application with the Internal Revenue Service and other federal agencies.** If you sign any document related to the federal student aid programs electronically using a Personal Identification Number (PIN), you certify that you are the person identified by the PIN and have not disclosed that PIN to anyone else. If you purposely give false or misleading information, you may be fined \$20,000, sent to prison, or both.

99. Date this form was completed. 2006 or 2007

100. Student (Sign below)

Parent (A parent from Step Four sign below)

If this form was filled out by someone other than you, your spouse or your parents, that person must complete this part.

Preparer's name, firm and address

101. Preparer's Social Security Number (or 102)

- -

102. Employer ID number (or 101)

-

103. Preparer's signature and date

SCHOOL USE ONLY: Federal School Code

D/O 1

FAA Signature

DATA ENTRY USE ONLY: P * L E

Notes for questions 55–83 (page 5) Step Four: Who is considered a parent in this step?

Read these notes to determine who is considered a parent on this form. **Answer all questions in Step Four about them**, even if you do not live with them. (Note that grandparents, foster parents and legal guardians are not parents.)

If your parents are living and married to each other, answer the questions about them.

If your parent is widowed or single, answer the questions about that parent. If your widowed parent is remarried as of today, answer the questions about that parent and the person whom your parent married (your stepparent).

If your parents are divorced or separated, answer the questions about the parent you lived with more during the past 12 months. (If you did not live with one parent more than the other, give answers about the parent who provided more financial support during the past 12 months, or during the most recent year that you actually received support from a parent.) If this parent is remarried as of today, answer the questions on the rest of this form about that parent and the person whom your parent married (your stepparent).

Notes for question 65 (page 5)

Include in your parents' household (see notes, above, for who is considered a parent):

- your parents and yourself, even if you don't live with your parents,
- your parents' other children if (a) your parents will provide more than half of their support from July 1, 2006, through June 30, 2007, or (b) the children could answer "no" to every question in Step Three on page 4 of this form, and
- other people if they now live with your parents, your parents provide more than half of their support, and your parents will continue to provide more than half of their support from July 1, 2006, through June 30, 2007.

Notes for questions 66 (page 5) and 85 (page 6)

Always count yourself as a college student. Do not include your parents. Include others only if they will attend, at least half time in 2006-2007, a program that leads to a college degree or certificate.

Notes for question 84 (page 6)

Include in your (and your spouse's) household:

- yourself (and your spouse, if you have one),
- your children, if you will provide more than half of their support from July 1, 2006, through June 30, 2007, and
- other people if they now live with you, you provide more than half of their support, and you will continue to provide more than half of their support from July 1, 2006, through June 30, 2007.

Notes for question 98 (page 6)

For undergraduates, "full time" generally means taking at least 12 credit hours in a term or 24 clock hours per week. "3/4 time" generally means taking at least 9 credit hours in a term or 18 clock hours per week. "Half time" generally means taking at least 6 credit hours in a term or 12 clock hours per week. Provide this information about the college you are most likely to attend.

Information on the Privacy Act and use of your Social Security Number

We use the information that you provide on this form to determine if you are eligible to receive federal student financial aid and the amount that you are eligible to receive. Sections 483 and 484 of the Higher Education Act of 1965, as amended, give us the authority to ask you and your parents these questions, and to collect the Social Security Numbers of you and your parents. We use your Social Security Number to verify your identity and retrieve your records, and we may request your Social Security Number again for those purposes.

State and institutional student financial aid programs may also use the information that you provide on this form to determine if you are eligible to receive state and institutional aid and the need that you have for such aid. Therefore, we will disclose the information that you provide on this form to each institution you list in questions 86–96, state agencies in your state of legal residence, and the state agencies of the states in which the colleges that you list in questions 86–96 are located.

If you are applying solely for federal aid, you must answer all of the following questions that apply to you: 1–9, 14–16, 18, 21–22, 25–26, 31–36, 38–45, 48–67, 70–74, 76–85 and 99–100. If you do not answer these questions, you will not receive federal aid.

Without your consent, we may disclose information that you provide to entities under a published "routine use." Under such a routine use, we may disclose information to third parties that we have authorized to assist us in administering the above programs; to other federal agencies under computer matching programs, such as those with the Internal Revenue Service, Social Security Administration, Selective Service System, Department of Homeland Security, Department of Justice and Veterans Affairs; to your parents or spouse; and to members of Congress if you ask them to help you with student aid questions.

If the federal government, the U.S. Department of Education, or an employee of the U.S. Department of Education is involved in litigation, we may send information to the Department of Justice, or a court or adjudicative body, if the disclosure is related to financial aid and certain conditions are met. In addition, we may send your information to a foreign, federal, state, or local enforcement agency if the information that you submitted indicates a violation or potential violation of law, for which that agency has jurisdiction for investigation or prosecution. Finally, we may send information regarding a claim that is determined to be valid and overdue to a consumer reporting agency. This information includes identifiers from the record; the amount, status and history of the claim; and the program under which the claim arose.

State Certification

By submitting this application, you are giving your state financial aid agency permission to verify any statement on this form and to obtain income tax information for all persons required to report income on this form.

The Paperwork Reduction Act of 1995

The Paperwork Reduction Act of 1995 says that no one is required to respond to a collection of information unless it displays a valid OMB control number, which for this form is 1845-0001. The time required to complete this form is estimated to be one hour, including time to review instructions, search data resources, gather the data needed, and complete and review the information collection. If you have comments about this estimate or suggestions for improving this form, please write to: U.S. Department of Education, Washington DC 20202-4700.

We may request additional information from you to process your application more efficiently. We will collect this additional information only as needed and on a voluntary basis.

Worksheets

Calendar Year 2005

Do not mail these worksheets in with your application.
Keep these worksheets; your school may ask to see them.

Student/Spouse

Worksheet A

Report Annual Amounts

Parents

For question 40		For question 78
\$	Earned income credit from IRS Form 1040—line 66a; 1040A—line 41a; or 1040EZ—line 8a.	\$
\$	Additional child tax credit from IRS Form 1040—line 68 or 1040A—line 42	\$
\$	Welfare benefits, including Temporary Assistance for Needy Families (TANF). Don't include food stamps or subsidized housing.	\$
\$	Social Security benefits received, for all household members as reported in question 84 (or 65 for your parents), that were not taxed (such as SSI). Report benefits paid to parents in the Parents column, and benefits paid directly to student (or spouse) in the Student/Spouse column.	\$
\$	Enter in question 40.	Enter in question 78.

Worksheet B

Report Annual Amounts

For question 41		For question 79
\$	Payments to tax-deferred pension and savings plans (paid directly or withheld from earnings), including, but not limited to, amounts reported on the W-2 Form in Boxes 12a through 12d, codes D, E, F, G, H and S	\$
\$	IRA deductions and payments to self-employed SEP, SIMPLE, and Keogh and other qualified plans from IRS Form 1040—line 28 + line 32 or 1040A—line 17	\$
\$	Child support you received for all children. Don't include foster care or adoption payments.	\$
\$	Tax exempt interest income from IRS Form 1040—line 8b or 1040A—line 8b	\$
\$	Foreign income exclusion from IRS Form 2555—line 43 or 2555EZ—line 18	\$
\$	Untaxed portions of IRA distributions from IRS Form 1040—lines (15a minus 15b) or 1040A—lines (11a minus 11b). Exclude rollovers. If negative, enter a zero here.	\$
\$	Untaxed portions of pensions from IRS Form 1040—lines (16a minus 16b) or 1040A—lines (12a minus 12b). Exclude rollovers. If negative, enter a zero here.	\$
\$	Credit for federal tax on special fuels from IRS Form 4136—line 15 (nonfarmers only)	\$
\$	Housing, food and other living allowances paid to members of the military, clergy and others (including cash payments and cash value of benefits)	\$
\$	Veterans' noneducation benefits such as Disability, Death Pension, or Dependency & Indemnity Compensation (DIC), and/or VA Educational Work-Study allowances	\$
\$	Other untaxed income not reported elsewhere on Worksheets A and B (e.g., workers' compensation, untaxed portions of railroad retirement benefits, Black Lung Benefits, disability, combat pay not reported on the tax return, etc.)	\$
\$	Don't include student aid, Workforce Investment Act educational benefits, non-tax filers' combat pay, or benefits from flexible spending arrangements, e.g., cafeteria plans.	\$
\$	Money received, or paid on your behalf (e.g., bills), not reported elsewhere on this form	XXXXXXXX
\$	Enter in question 41.	Enter in question 79.

Worksheet C

Report Annual Amounts

For question 42		For question 80
\$	Education credits (Hope and Lifetime Learning tax credits) from IRS Form 1040—line 50 or 1040A—line 31	\$
\$	Child support you paid because of divorce or separation or as a result of a legal requirement. Don't include support for children in your (or your parents') household, as reported in question 84 (or question 65 for your parents).	\$
\$	Taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships	\$
\$	Student grant and scholarship aid reported to the IRS in your (or your parents') adjusted gross income. Includes AmeriCorps benefits (awards, living allowances and interest accrual payments), as well as grant or scholarship portions of fellowships and assistantships.	\$
\$	Enter in question 42	Enter in question 80.

What is the FAFSA?

Why fill out a FAFSA?

The FAFSA (the *Free Application for Federal Student Aid*) is the first step in the financial aid process. You use it to apply for federal student financial aid, such as grants, loans and work-study. In addition, most states and schools use information from the FAFSA to award non-federal aid.

Why all the questions?

We enter your responses to the FAFSA questions into a formula from the Higher Education Act of 1965, as amended. The result is your Expected Family Contribution, or EFC. The EFC measures your family's financial strength. It is used to determine your eligibility for federal student aid.

Your state, and the schools you list, may also use some of your responses. They will determine if you may be eligible for school or state aid, in addition to federal aid.

How do I find out what my EFC is?

We will send you a report called a *Student Aid Report*, or SAR, through the mail or the Internet. The SAR lists the information you reported on your FAFSA, and will tell you your EFC.

It is important to review your SAR when you receive it. Make sure all of your information is correct. Make any necessary changes or provide additional information.

How much aid do I get?

Your EFC, along with the rest of your FAFSA information, is made available to all the schools you list in Step Six of the FAFSA. The schools use your EFC to prepare a financial aid package to help you meet your financial need. Financial need is the difference between your EFC and your school's cost of attendance (which can include living expenses), as determined by the school.

If you or your family have special circumstances that should be taken into account, contact your school's financial aid office. Some examples of special circumstances are: unusual medical or dental expenses, or a large change in income from last year to this year.

When do I get the aid?

Any financial aid you are eligible to receive will be paid to you through your school. Typically, your school will first use the aid to pay tuition, fees, and room and board (if provided by the school). Any remaining aid is paid to you for your other expenses.

If you are eligible for a Federal Pell Grant, you may receive it for only one school for the same period of enrollment.

Where can I get more information on student aid?

The best place for information about student financial aid is the financial aid office at the school you plan to attend. The financial aid administrator can tell you about student aid available from your state, the school itself and other sources.

You can also check out these resources:

- www.studentaid.ed.gov
- www.students.gov
- The Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243). TTY users may call 1-800-730-8913.
- Your high school counselor's office
- Your local library's reference section

There may be information available from foundations, religious organizations, community organizations and civic groups, as well as organizations related to your field of interest, such as the American Medical Association or American Bar Association. Check with your parents' employers or unions to see if they award scholarships or have tuition payment plans.

EFC



Warning!

Be wary of organizations that charge a fee to submit your application, or to find you money for school. Some are legitimate and some are scams. Generally, any help you pay for you can get for free from your school or the U.S. Department of Education.



FAFSA
FREE APPLICATION FOR FEDERAL STUDENT AID

Tips to Getting Aid Without Delay!

We asked financial aid advisors from around the country what they would tell students filling out their FAFSAs. Here's what they said:

Save time: File Electronically!

You can fill out and submit your application through *FAFSA on the Web* at www.fafsa.ed.gov. Electronic filing is the fastest, easiest and most accurate way to apply for financial aid. The information you enter in *FAFSA on the Web* will be checked on the spot, and we will call your attention to any errors or missing information. This reduces the chance that you will need to correct your information later. Preventing errors means your school will receive your application results sooner. By filing online, you may also be able to skip some questions based on your answers to earlier questions.

If you have a U.S. Department of Education PIN (Personal Identification Number), you can even sign *FAFSA on the Web* electronically. To request a PIN, visit www.pin.ed.gov. Your parents can also request and use their own PINs to sign your FAFSA online. We encourage you to apply for a PIN prior to submitting your FAFSA, but if you don't we'll automatically send you one once we have processed your application.

Important: Read the form!

Many questions on the FAFSA are straightforward, like your Social Security Number or your date of birth. But many require you to read the instructions to make sure you answer the question correctly. Words like "household," "investments" and even "parent" all have common meanings, but are specifically defined for purposes of federal student aid. So be sure to read the instructions.

You may have unique family situations that cause you to have additional questions. You should then contact a financial aid administrator at the school you wish to attend for clarification.

Apply early.

Deadlines for aid from your state, from your school, and from private sources tend to be much earlier than deadlines for federal aid. To make sure that any financial aid package your school offers you will contain aid from as many sources as possible, apply as soon as you can after January 1, 2006.

The U.S. Department of Education will process your 2006-2007 FAFSA if received on or before July 2, 2007. However, to actually receive aid, your school must have your correct, complete information before your last day of enrollment in the 2006-2007 school year. So it is important to apply early to make sure you leave enough time for your school to receive your information and to make any necessary corrections.

Complete your tax return.

Filing out your tax return first will make completing the FAFSA easier. However, you do not need to submit your tax return to the IRS before you submit your FAFSA. But, once you (and your parents if you are a dependent student) file your tax return, you must correct any income or tax information that changed since you filed your FAFSA. Inaccurate information on your FAFSA may delay your receipt of federal student aid. Also, you will be required to return federal aid you improperly received based upon incorrect information.

Ask: Do I need additional forms?

The FAFSA is the one application for federal student aid. Many schools and states rely solely upon this information. However, your school or state may require you to fill out additional forms. These additional forms may have deadlines that are earlier than the federal student aid deadlines, so be sure to check with the financial aid office at the school you plan to attend.



FAFSA
FREE APPLICATION FOR FEDERAL STUDENT AID

SOURCES OF ADDITIONAL INFORMATION

Telephone Help: The Federal Student Aid Information Center

For information on any federal student aid program discussed in this handbook, you or your students may call the Federal Student Aid Information Center (FSAIC):

1-800-4-FED-AID (1-800-433-3243)—a toll-free number

TTY: 1-800-730-8913—a toll-free number for the hearing impaired

The FSAIC provides the following services:

- helping complete the *Free Application for Federal Student Aid* (FAFSA),
- explaining the *Student Aid Report* (SAR) produced from the FAFSA and how to make corrections,
- checking on the processing status of the FAFSA,
- requesting a duplicate SAR,
- changing the student’s address or the schools that receive the student’s information (the student will need the Data Release Number [DRN] from his or her SAR or *SAR Acknowledgement*),
- checking on whether a school participates in the federal student aid programs,
- explaining who is eligible for federal student aid,
- explaining how federal student aid is awarded and paid, and
- mailing requested publications.

The FSAIC is NOT able to

- make policy,
- expedite the federal student aid application process,
- discuss a student’s federal student aid file with an unauthorized person, or
- influence an individual school’s financial aid policies.

A high school student’s best initial sources of information on federal student aid are *Funding Education Beyond High School: The Guide to Federal Student Aid* (formerly *The Student Guide*), www.FederalStudentAid.ed.gov, high school and TRIO counselors, and postsecondary school financial aid administrators.

Useful Web Sites

Sites for Students

Student Aid on the Web

If you or your students have access to the Internet, you can consult our Web site, *Student Aid on the Web*. The site offers college-bound students and their families a single source of free information on choosing a career, selecting a school, and identifying resources to pay for school. Comprehensive career and college search tools allow the user to input interests, hobbies and educational experience. In return, the site provides related career choices and a list of postsecondary schools that offer corresponding majors. The user can take an online tour of his or her chosen school and apply online without ever leaving the site. Another popular tool is the free scholarship search. With the feature “My FSA,” the user can create a personalized folder to record interests, career and college search results, and any relevant personal information. The user can then track his or her progress in the college planning and application process, prepopulate fields on the FAFSA, and compare award letters from schools. *Student Aid on the Web* is at

www.FederalStudentAid.ed.gov

Other Student Sites

- *FAFSA on the Web*—The official online application is at www.fafsa.ed.gov
- PIN site—Students can apply for the personal identification number needed to sign the online FAFSA at www.pin.ed.gov
- Federal school codes (to be entered on the FAFSA) can be found at www.fafsa.ed.gov

DID YOU KNOW...

At the back of this handbook, we’ve provided a series of handouts on perforated pages for you to distribute. The handouts cover topics from reasons to go to college, to myths about student aid, to identity theft. Check out Appendix E for the full selection.

- Think College? Me? Now?—A popular resource for students in middle school and junior high. It explains why students should consider college, how to prepare academically, and how to pay for college. The text is available (either to view online or to download) at www.ed.gov/pubs/CollegeMeNow
- College Opportunities On-Line (COOL), a site linking to over 7,000 colleges and universities, allows the student to search for a school by name, location, program, degree offerings, or a combination of criteria. It is at www.nces.ed.gov/ipeds/cool
- students.gov—Bills itself as the “student gateway to the U.S. government, delivering government information and services across your campus and around the world.” The site has a multitude of links to help students plan for their education and find financial aid. Included are links to federal government agencies that provide funds for college and to state financial aid sources. www.students.gov
- Vocational rehabilitation state agency list—For an agency in your state, visit www.jan.wvu.edu/sbses/vocrehab.htm
- Tax Information for Students—Has federal income tax credit information and other useful information for students at www.irs.gov/individuals/students/index.html
- AmeriCorps—Provides details about a variety of national service options and how students can earn financial awards to be used for education. www.americorps.org
- U.S. Department of Health and Human Services financial aid for college or professional school is described at www.bhpr.hrsa.gov/dsa
- GI Bill benefits—The U.S. Department of Veterans Affairs offers extensive information about education benefits for veterans and their families at www.gibill.va.gov
- U.S. Army loan repayment program—Students can learn how enlistment in the Army or Army Reserve can lead to assistance with repayment of federal student loans at www.goarmy.com/benefits/education.jsp
- State higher education agencies—A list is at www.ed.gov/Programs/bastmp/SHEA.htm
- State college savings plans and prepaid tuition programs—The College Savings Plans Network provides a guide, including information about the tax implications of the plans, at www.collegesavings.org
- Scholarship scam avoidance—A student considering using a for-fee scholarship advice service can research the company on the Better Business Bureau Web site at www.bbb.com
- Scholarship scam complaints—A student who has been a victim of financial aid fraud should complain to all of the following entities:
 - The Better Business Bureau at www.bbb.com;
 - The Federal Trade Commission at www.ftc.gov/scholarshipcams;
 - The U.S. Department of Education Office of Inspector General at www.ed.gov/misused;
 - The U.S. Postal Inspection Service Fraud Complaint Unit (if the company’s offer arrived by mail) at www.usps.com/postalinspectors; and
 - A state attorney general’s office, which will be listed at www.naag.org/ag/full_ag_table.php
- Selective Service System—Draft registration and information about Selective Service is available at www.sss.gov
- *Occupational Outlook Handbook*—An encyclopedia of careers describing in detail a wide range of occupations. Students can learn what to expect from a job, including the nature of the work, training needed, and earnings. A free search is at www.bls.gov/oco

Sites for Counselors and Mentors

- *FSA for Counselors*—Provides federal student aid information especially for middle school, high school and TRIO counselors. Includes access to publications, training information, announcements, a PowerPoint financial aid presentation, and ways to promote federal student aid and college access. Visit the site at www.fsa4schools.ed.gov/counselors
- FAFSA demonstration site—Allows counselors to increase their own understanding of *FAFSA on the Web* and to show it to students and parents before they apply. When you visit the site, you will be prompted for a user name. Enter **eddemo**. The password is **fafsatest**. The site is at <http://fafsademotest.ed.gov>
- FSA COACH is a comprehensive introductory Web-based course that teaches the concepts and procedures involved in managing the federal student aid programs. To access FSA COACH, go to www.ed.gov/offices/OSFAP/fsacoach

- FSAPubs—Provides counselors a single order point for all Federal Student Aid publications, offering single or bulk orders. See “Free Publications” below for more information. FSAPubs is at www.FSAPubs.org
- TRIO program information—The TRIO programs help prepare disadvantaged students for successful entry into, retention in and completion of postsecondary education. TRIO information is at www.ed.gov/about/offices/list/ope/trio/index.html
- GEAR UP information—GEAR UP is an early-intervention initiative designed to encourage low-income students to have high expectations, stay in school, study hard and take the right courses to prepare for college. Learn more about GEAR UP at www.ed.gov/gearup
- Information for Financial Aid Professionals (IFAP)—A library of federal student aid information, geared toward college financial aid administrators. High school, TRIO and GEAR UP counselors who regularly help students apply for aid might find the *Federal Student Aid Handbook* particularly useful, especially in finding detailed information about student eligibility criteria. IFAP is at www.ifap.ed.gov
- Fathers Matter! offers a kit for educators and other professionals working to increase family involvement in education. The kit suggests strategies for involving fathers in children’s learning at home, at school and in the community. Download the kit at www.ed.gov/pubs/parents/fathers

Sites for Parents

- Managing the Price of College shows how families in various income groups manage to pay for college. This online resource is at www.ed.gov/pubs/collegcosts
- The White House Initiative on Educational Excellence for Hispanic Americans has a bilingual site with information for parents on college preparation. Send your students’ parents to www.yesican.gov or www.yosipuedo.gov
- The Congressional Hispanic Caucus Institute has created a site with sections for high school students, college students, and parents. The parent section is available in both English and Spanish and includes information on planning for the child’s education. Free publications for students and parents can be ordered from the site: www.chciyouth.org

Free Publications

Automatic Shipments of Publications

Each autumn, certain publications are shipped automatically to high schools, TRIO programs and GEAR UP programs. Each school or program on the federal student aid mailing list will receive one copy of the *Counselors and Mentors Handbook on Federal Student Aid* as well as bulk shipments of the paper FAFSA, the *FAFSA on the Web Worksheet*, and *Funding Education Beyond High School: The Guide to Federal Student Aid* (formerly known as *The Student Guide*). Your school or program is not limited to the number of publications you receive automatically. See below to learn how to order additional quantities of these items as well as other publications.

Ordering Publications

The publications listed below are available for counselors and mentors to order at the Federal Student Aid Publications Ordering System (FSAPubs) Web site at www.FSAPubs.org

At the site, you will be asked for your ML (mailing list) number, which you can find on the mailing label of any shipment you receive from FSAPubs. If you don’t know your ML number, call **1-800-394-7084** to find out what it is. If you do not have Internet access, you may call FSAPubs at **1-800-394-7084** to place orders for publications.

Students may order publications for themselves at www.edpubs.org or by contacting the Federal Student Aid Information Center:

FSAIC

P.O. Box 84
Washington, DC 20044
1-800-4-FED-AID (1-800-433-3243)
TTY: 1-800-730-8913
Toll number for inquirers calling from foreign countries: **+1-319-337-5665**

Publications for Counselors

A useful resource for counselors is the financial aid night package, which consists of two items:

- *How to Apply for Federal Student Aid* is a slide show to be used at financial aid information sessions. You may order it in hard copy (to be photocopied onto overhead projector slides) from FSAPubs or download the PowerPoint version from our *FSA for Counselors* site at www.fsa4schools.ed.gov/counselors
- *Planning a Financial Aid Awareness Program* is a booklet to accompany the *How to Apply ...* slides. It includes a script for the slides and provides tips on planning a financial aid night. The booklet is available in hard copy from FSAPubs or in a PDF at *FSA for Counselors* (see previous bullet point).

- The *Don't Get Stung!* poster reminds students that federal student aid applications and advice are free. Order several copies from FSAPubs for your office and your school hallways, or download a PDF to print out on 8.5 x 11 paper at www.studentaid.ed.gov/stung
- The *Counselors and Mentors Handbook* is available on FSAPubs so you can order additional copies for your colleagues. Note that there will usually be a limit of ten copies; if you need more than ten copies, please e-mail orders@fsapubs.org with your request. The handbook also is available in PDF (in English and Spanish versions) at www.fsa4schools.ed.gov/counselors
- *Looking for Student Aid*—A brochure (in English or Spanish) with tips on avoiding scholarship fraud and finding free information about financial aid.
- *Need Money for College?*—A brochure (available in English or Spanish) publicizing *Student Aid on the Web* (www.FederalStudentAid.ed.gov).
- *College Preparation Checklist*—A brochure (in English or Spanish) listing what students should do from eighth through 12th grades to prepare for college.
- Federal Student Aid bookmark—One side advertises www.FederalStudentAid.ed.gov while the other reminds students how to get a U.S. Department of Education PIN and where to access the FAFSA online. This bookmark is available only in hard copy (not in PDF).
- *FAFSA on the Web* tips card—Designed to stand on or near a computer monitor, the card advises students on how to successfully navigate the *FAFSA on the Web* application process.
- *Repaying Your Student Loans*—A booklet providing detailed information about federal student aid loan repayment options, deferment, consolidation, and default avoidance. Recommended for anyone with a federal student loan, even if the loan is not yet in repayment.

Publications for Students

The following student publications are available in hard copy from FSAPubs or (unless otherwise indicated) online at www.studentaid.ed.gov/pubs

- *Funding Education Beyond High School: The Guide to Federal Student Aid*—A booklet, available in English or Spanish, providing a comprehensive description of the federal student aid programs and how to apply for them. Recommended for both students and parents. Formerly known as *The Student Guide*.

DID YOU KNOW...

Identity theft is a growing problem. Typical ways a student becomes a victim include leaving personal information lying around the dorm room or failing to shred credit card offers before throwing them away.

We at the U.S. Department of Education have worked hard to ensure that information sent over our Web sites is secure. However, students should do their part as well. Make your students aware of the problem and how to keep their information safe: Turn to Appendix E of this handbook and photocopy and distribute the handout titled "Student Aid and Identity Theft: Safeguard Your Student Aid Information."

DIRECTORY OF STATE AGENCIES

Listed below for each state are the agencies responsible for administering state financial aid programs. You should encourage students to apply for any available state aid as well as federal aid and private scholarships. There also is a list of state education agency contact information at www.ed.gov/Programs/bastmp/SHEA.htm (URL is case-sensitive)

Looking for state contacts for the Leveraging Educational Assistance Partnership (LEAP) Program and the Robert C. Byrd Honors Scholarship Program?
You can find them online!

LEAP contacts:
www.ed.gov/Programs/bastmp/SHEA.htm

Byrd contacts:
www.ed.gov/programs/iduesbyrd/state-contacts.html

Alabama

Alabama Commission on Higher Education
Phone: **(334) 242-1998**
Web site: www.ache.state.al.us

Alaska

Alaska Commission on Postsecondary Education
Phone: **(907) 465-2962**
Toll-free: **1-800-441-2962**
Web site: www.alaskaadvantage.state.ak.us

Arizona

Arizona Commission for Postsecondary Education
Phone: **(602) 258-2435**
Web site: www.azhighered.org

Arkansas

Arkansas Department of Higher Education
Phone: **(501) 371-2050**
Toll-free: **1-800-54-STUDY**
Web site: www.arkansashighered.com

California

California Student Aid Commission
Phone: **(916) 526-7590**
Toll-free: **1-888-224-7268**
Web site: www.csac.ca.gov

Colorado

Colorado Commission on Higher Education
Phone: **(303) 866-2723**
Web site: www.state.co.us/cche

Connecticut

Connecticut Department of Higher Education
Phone: **(860) 947-1855**
Toll-free: **1-800-842-0229**
Web site: www.ctdhe.org

Delaware

Delaware Higher Education Commission
Phone: **(302) 577-5240**
Toll-free: **1-800-292-7935**
Web site: www.doe.state.de.us/high-ed

District of Columbia

State Education Office (District of Columbia)
Phone: **(202) 727-2824**
Toll-free: **1-877-485-6751**
Web site: www.seo.dc.gov

Florida

Office of Student Financial Assistance, Florida
Department of Education
Toll-free: **1-888-827-2004**
Web site: www.floridastudentfinancialaid.org

Georgia

Georgia Student Finance Commission
Phone: **(770) 724-9000**
Toll-free: **1-800-505-4732**
Web site: www.gsfc.org

Hawaii

Hawaii Department of Education
Web site: www.doe.k12.hi.us

Idaho

Idaho State Board of Education
Phone: **(208) 334-2270**
Web site: www.boardofed.idaho.gov

Illinois

Illinois Student Assistance Commission
Toll-free: **1-800-899-4722**
Web site: www.collegezone.com

Indiana

State Student Assistance Commission of Indiana
Phone: **(317) 232-2350**
Toll-free: **1-888-528-4719**
Web site: www.ssaci.in.gov

Iowa

Iowa College Student Aid Commission
 Phone: (515) 242-3344
 Toll-free: 1-800-383-4222
 Web site: www.iowacollegeaid.org

Kansas

Kansas Board of Regents
 Phone: (785) 296-3421
 Web site: www.kansasregents.org

Kentucky

Kentucky Higher Education Assistance Authority
 Phone: (502) 696-7200
 Toll-free: 1-800-928-8926
 Web site: www.gohigherky.org

Louisiana

Louisiana Office of Student Financial Assistance
 Toll-free: 1-800-259-5626
 Web site: www.osfa.state.la.us

Maine

Finance Authority of Maine
 Phone: (207) 623-3263
 Toll-free: 1-800-228-3734
 Web site: www.famemaine.com

Maryland

Maryland Higher Education Commission
 Phone: (410) 260-4500
 Toll-free: 1-800-974-1024
 Web site: www.mhec.state.md.us

Massachusetts

Massachusetts Board of Higher Education
 Phone: (617) 727-9420
 Web site: www.osfa.mass.edu

Michigan

Michigan Higher Education Assistance Authority
 Toll-free: 1-888-447-2687
 Web site: www.michigan.gov/mistudentaid

Minnesota

Minnesota Office of Higher Education
 Phone: (651) 642-0567
 Toll-free: 1-800-657-3866
 Web site: www.ohe.state.mn.us

Mississippi

Mississippi Office of Student Financial Aid
 Phone: (601) 432-6997
 Toll-free: 1-800-327-2980
 Web site: www.ihl.state.ms.us

Missouri

Missouri Department of Higher Education
 Phone: (573) 751-3940
 Toll-free: 1-800-473-6757
 Web site: www.dhe.mo.gov

Montana

Office of the Commissioner of Higher Education
 Phone: (406) 495-7711
 Toll-free: 1-800-892-2761
 Web site: www.oche.montana.edu

Nebraska

Nebraska Coordinating Commission for Postsecondary Education
 Phone: (402) 471-2847
 Web site: www.ccpe.state.ne.us

Nevada

Nevada Department of Education
 Phone: (775) 687-9228
 Web site: www.doe.nv.gov

New Hampshire

New Hampshire Postsecondary Education Commission
 Phone: (603) 271-2555, ext. 356
 Web site: www.state.nh.us/postsecondary

New Jersey

Commission on Higher Education (New Jersey)
 Phone: (609) 292-4310
 Web site: www.state.nj.us/highereducation

Higher Education Student Assistance Authority of New Jersey

Phone: (609) 588-3226
 Toll-free: 1-800-792-8670
 Web site: www.hesaa.org

New Mexico

New Mexico Higher Education Department
 Phone: (505) 476-6500
 Toll-free: 1-800-279-9777
 Web site: www.hed.state.nm.us

New York

New York State Higher Education Services Corporation
 Phone: (518) 473-1574
 Toll-free: 1-888-697-4372
 Web site: www.hesc.org

North Carolina

North Carolina State Education Assistance Authority
 Phone: (919) 549-8614
 Toll-free: 1-866-866-2362
 Web site: www.cfnc.org

North Dakota

North Dakota University System
 Phone: (701) 328-4114
 Web site: www.ndus.edu

Ohio

Ohio Board of Regents
 Toll-free: 1-877-428-8246
 Web site: www.regents.state.oh.us/sgs

Oklahoma

Oklahoma State Regents for Higher Education
 Phone: (405) 225-9100
 Toll-free: 1-800-858-1840
 Web site: www.okhighered.org

Oregon

Oregon Student Assistance Commission
Phone: **(541) 687-7400**
Toll-free: **1-800-452-8807**
Web site: www.osac.state.or.us

Pennsylvania

Office of Postsecondary and Higher Education
(Pennsylvania)
Phone: **(717) 787-5041**
Web site: www.pdehighered.state.pa.us

Rhode Island

Rhode Island Higher Education Assistance Authority
Phone: **(401) 736-1100**
Toll-free: **1-800-922-9855**
Web site: www.riheaa.org

South Carolina

South Carolina Commission on Higher Education
Phone: **(803) 737-2260**
Web site: www.che400.state.sc.us

South Dakota

South Dakota Board of Regents
Phone: **(605) 773-3455**
Web site: www.sdbor.edu

Tennessee

Tennessee Student Assistance Corporation
Phone: **(615) 741-1346**
Web site: www.state.tn.us/tsac

Texas

Texas Higher Education Coordinating Board
Toll-free: **1-888-311-8881**
Web site: www.collegefortexans.com

Utah

Utah State Board of Regents
Phone: **(801) 321-7103**
Web site: www.utahsbr.edu

Vermont

Vermont Student Assistance Corporation
Phone: **(802) 655-9602**
Toll-free: **1-800-642-3177**
Web site:
<http://services.vsac.org/ilwwcm/connect/vsac>

Virginia

State Council of Higher Education for Virginia
Phone: **(804) 225-2600**
Web site: www.schev.edu

Washington

Washington State Higher Education
Coordinating Board
Phone: **(360) 753-7800**
Web site: www.hecb.wa.gov

West Virginia

West Virginia Higher Education Policy Commission
Phone: **(304) 558-2101**
Web site: www.hepc.wvnet.edu

Wisconsin

Wisconsin Higher Educational Aids Board
Phone: **(608) 267-2206**
Web site: www.heab.state.wi.us

Wyoming

Wyoming Department of Education
Phone: **(307) 777-7690**
Web site: www.k12.wy.us

U.S. Territories

American Samoa

American Samoa Community College
Phone: **(684) 699-9155***
Web site: www.ascc.as

Commonwealth of the Northern Mariana Islands

Northern Marianas College
Phone: **(670) 234-3690***
Web site: www.nmcnet.edu

Federated States of Micronesia

Federated States of Micronesia Department of
Education
Phone: **(691) 320-2872***
Web site: www.literacynet.org/micronesia/doe.html

Guam

University of Guam
Phone: **(671) 735-2287***
Web site: www.uog.edu

Puerto Rico

Puerto Rico Council on Higher Education
Phone: **(787) 724-7100**
Web site: www.ces.gobierno.pr

Republic of Palau

Republic of Palau Ministry of Education
Phone: **(680) 488-2471***
Web site: www.palaumoe.net/school/post.htm

Republic of the Marshall Islands

Marshall Islands Scholarship Grant and Loan Board
Phone: **(692) 625-5770***
Web site: www.rmischolarship.net

Virgin Islands

Virgin Islands Board of Education
Phone: **(340) 774-0100**

* To call from the U.S., dial 011 before the country code shown in parentheses.

DID YOU KNOW...

Our office, Federal Student Aid, has created a Web site just for you. The site, called FSA for Counselors, provides federal student aid information especially for middle school, high school, TRIO, and GEAR UP counselors. The site offers access to U.S. Department of Education (ED) publications, links related to ED offices and services, information about training, important announcements, and aids for promoting federal student aid and college access. Visit the site at www.fsa4schools.ed.gov/counselors

GLOSSARY

Academic Year—A measure of academic work to be accomplished by a student. A school defines its own academic year, but federal regulations set minimum standards schools must adhere to if they wish to award federal student aid funds. For instance, the academic year must be at least 30 weeks of instructional time in which a full-time student is expected to complete at least 24 semester or trimester hours, 36 quarter hours or 900 clock hours.

Award Year—The time beginning on July 1 of one year and extending to June 30 of the next year. Funding for Federal Pell Grants and campus-based programs is provided on the basis of the award year—for example, a student is paid out of funds designated for a particular award year, such as the 2006–07 award year.

Base Year—For analyzing student financial need, the base year is the calendar year preceding the award year. For instance, 2005 is the base year used for the 2006–07 award year. The *Free Application for Federal Student Aid* (FAFSA) uses family income from the base year because it is more accurate and easier to verify than projected-year income.

Campus-Based Programs—The term that applies to three federal student aid programs administered on campus by eligible institutions of postsecondary education. These programs are

- Federal Supplemental Educational Opportunity Grant (FSEOG) Program,
- Federal Perkins Loan Program, and
- Federal Work-Study (FWS) Program.

Central Processing System (CPS)—ED’s processing facility for the *Free Application for Federal Student Aid* (FAFSA). The CPS

- receives student information,
- calculates a student’s official Expected Family Contribution (EFC),
- performs several eligibility database matches,
- prints *Student Aid Reports* (SARs) and *SAR Acknowledgements*, and
- produces *Institutional Student Information Records* (ISIRs).

Citizen/Eligible Noncitizen—A student must be one of the following to receive federal student aid:

- U.S. citizen,
- U.S. national (includes natives of American Samoa or Swain’s Island), or

- U.S. permanent resident who has an I-151, I-551 or I-551C (Alien Registration Receipt Card).

If a student is not in one of these categories, he or she must have an Arrival-Departure Record (I-94) from the U.S. Department of Homeland Security (DHS) showing one of the following designations:

- “Refugee,”
- “Asylum Granted,”
- “Cuban-Haitian Entrant (Status Pending),”
- “Conditional Entrant” (valid only if issued before April 1, 1980), or
- “Paroled” (must be paroled for at least one year).

If a student has only a “Notice of Approval to Apply for Permanent Residence” (I-171 or I-464), he or she is not eligible for federal student aid.

If a student is in the U.S. on an F-1 or F-2 student visa, or on a J-1 or J-2 exchange-visitor visa only, he or she can’t get federal student aid. Also, persons with G series visas (pertaining to international organizations) are not eligible for federal student aid.

Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau are eligible only for certain federal student aid programs. These applicants should check with their schools’ financial aid administrators for more information.

For more information about eligible noncitizen status, contact a college financial aid administrator or refer to the Student Eligibility volume of the *Federal Student Aid Handbook* at www.ifap.ed.gov.

Consolidation Loan—A loan that combines multiple federal student loans into a single loan with one monthly payment. Consolidation loans are available through the Federal Family Education Loan (FFEL) Program and the Direct Loan Program. Both allow the borrower to combine different types and amounts of federal student loans to simplify repayment. Note: A consolidation loan pays off the existing loans; the borrower then repays the consolidation loan.

Cost of Attendance (COA)—A student’s cost of attendance at a postsecondary institution includes

- tuition and fees,
- room and board expenses while attending school,
- allowances for books and supplies (including a reasonable allowance [as determined by the school] for renting or purchasing a personal computer),
- transportation,
- loan fees for federal student loans (if applicable),
- dependent-care costs,
- costs related to a disability, and
- other miscellaneous expenses.

In addition, reasonable costs for a study-abroad program and costs associated with a student’s employment as part of a cooperative education program may be included. The COA is determined by the school, within guidelines established by federal law. The COA is compared to a student’s Expected Family Contribution (EFC) to determine the student’s need for aid. (COA – EFC = student’s financial need.)

Default—Failure to repay a loan according to the terms of the promissory note. There can be serious legal consequences for student-loan defaulters.

Default Rate—A percentage calculated each year for a postsecondary school on the basis of the number of former students who have defaulted on the Federal Family Education Loan (FFEL) Program and/or Direct Loan Program loans received while attending that school.

Eligible Program—A course of study that requires a certain minimum number of hours of instruction and period of time and that leads to a degree or certificate at a school participating in one or more of the federal student aid programs described in this handbook. Generally, to get student aid, a student must be enrolled in an eligible program.

Estimated Financial Assistance—Student financial aid that must be taken into account to determine eligibility for federal student loans. Estimated financial assistance is called “resources” in determining eligibility (and preventing overawards) in the campus-based programs.

Expected Family Contribution (EFC)—Calculated using a formula established by Congress; the amount that a student’s family is expected to be able to contribute toward the student’s cost of attendance.

The EFC is used to determine whether a student is eligible for federal student aid. It is printed on the front of a *Student Aid Report (SAR)*, *SAR Acknowledgement* and *Institutional Student Information Record (ISIR)*. An EFC Estimator is included in *FAFSA on the Web* and *Renewal FAFSA on the Web* as well as at www.FederalStudentAid.ed.gov.

Federal Family Education Loan (FFEL) Program—

The Federal Stafford Loan (subsidized and unsubsidized), Federal PLUS Loan (for parents), and Federal Consolidation Loan programs. Funds for these programs are provided by private lenders; the loans are guaranteed by the federal government.

Federal student aid programs—Programs administered by the U.S. Department of Education:

- Federal Pell Grants,
- Federal Supplemental Educational Opportunity Grants (FSEOG),
- Federal Work-Study (FWS),
- Federal Perkins Loans,
- Federal Direct Stafford Loans (both subsidized and unsubsidized),
- Federal Direct PLUS Loans (for parents),
- Federal Direct Consolidation Loans,
- Federal Stafford Loans (both subsidized and unsubsidized),
- Federal PLUS Loans (for parents),
- Federal Family Education Loan (FFEL) Consolidation Loans,
- Leveraging Educational Assistance Partnership (LEAP) Program grants, and
- Robert C. Byrd Honors Scholarship Program (Byrd Program) scholarships.

Financial Need—The difference between a student’s cost of attendance (COA) at a school and the Expected Family Contribution (EFC). (COA – EFC = student’s financial need.)

Free Application for Federal Student Aid (FAFSA)—

An application completed and filed by a student who wishes to receive federal student aid. The application collects household and financial information used by the federal government to calculate the Expected Family Contribution (EFC) to postsecondary education costs. See also *Renewal FAFSA*.

Institutional Student Information Record (ISIR)—An electronic record for schools that contains a student’s Expected Family Contribution (EFC), as calculated by ED’s Central Processing System (CPS), and all the

financial and other data submitted by the student on the *Free Application for Federal Student Aid* (FAFSA). See also *Student Aid Report* (SAR).

Need—See Financial Need.

Need Analysis—The process of analyzing household and financial information on a student’s financial aid application and calculating an Expected Family Contribution (EFC) to determine the student’s need for financial aid for postsecondary education costs.

Overaward—Generally, any amount of federal student aid awarded that exceeds a student’s financial need.

Overpayment—Any payment of a Federal Pell Grant, FSEOG, Federal Perkins Loan, or LEAP grant that exceeds the amount for which a student was eligible. An overpayment may be the result of an overaward, an error in the cost of attendance (COA) or Expected Family Contribution (EFC), or a student not meeting other eligibility criteria, such as citizenship or enrollment in an eligible program.

Promissory Note—A binding legal document that a borrower signs to get a loan. By signing this note, a borrower promises to repay the loan, with interest, in specified installments. The promissory note also includes any information about

- grace periods,
- deferment or cancellation provisions, and
- a borrower’s rights and responsibilities with respect to that loan.

Renewal FAFSA—A version of the FAFSA that students may use if they applied for federal student aid the previous award year. See also *Free Application for Federal Student Aid* (FAFSA).

Resources—Student financial aid that must be taken into account to prevent overawarding aid in the campus-based programs. Resources are called “estimated financial assistance” in determining a student’s eligibility for federal student loans.

SAR Acknowledgement—A federal “output” document, similar to the SAR, that ED’s central processor sends to a student who does not provide a valid e-mail address when he or she files the FAFSA through *FAFSA on the Web*, files through a postsecondary school, or makes changes through *Corrections on the Web*. See also *Student Aid Report* (SAR).

School—A postsecondary educational institution, such as a college, university or career school. In this handbook, the term “school” refers to such an institution, not to a high school.

Simplified Needs Test—The Simplified Needs Test excludes assets from the Expected Family Contribution (EFC) calculation for low- to moderate-income families who file simplified tax returns (1040A, 1040EZ).

Student Aid Report (SAR)—A federal “output” document sent to a student by ED’s central processor. The SAR contains financial and other information reported by the student on the FAFSA. A student receives a paper SAR if he or she files a paper *Free Application for Federal Student Aid* (FAFSA) and does not provide a valid e-mail address. The student receives a link to online SAR information if he or she provides a valid e-mail address on the FAFSA. The student’s Expected Family Contribution (EFC) is included on the SAR. All information reported on the SAR is also sent to schools the student listed on the FAFSA. (See also *Institutional Student Information Record* and *SAR Acknowledgement*.)

Subsidized loan—Awarded to a student on the basis of financial need. The federal government pays the borrower’s accrued interest during some significant periods, such as when the student is in school, thereby “subsidizing” the loan.

Unsubsidized loan—Is not need based; the borrower is responsible for accrued interest throughout the life of the loan.

Verification—A procedure through which a school checks the information a student reported on the *Free Application for Federal Student Aid* (FAFSA), usually by requesting a copy of signed tax returns filed by the student and, if applicable, the student’s parent(s) and spouse. Schools must verify information about students selected for verification by ED’s central processor, following procedures established by federal regulations. The processor places an asterisk next to the Expected Family Contribution (EFC) on SARs and *SAR Acknowledgements* and flags ISIRs to identify students selected for verification. Many schools also select certain other students for verification in addition to those selected by the central processor.

William D. Ford Federal Direct Loan Program (Direct Loan Program)—Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans), Federal Direct PLUS Loans (for parents), and Federal Direct Consolidation Loans. Funds for these programs are lent to student and parent borrowers by the federal government through schools that participate in the program.

DID YOU KNOW...

In the past couple of years, the U.S. Department of Education has printed 10 times as many paper FAFSAs as were eventually submitted. Schools told us they ordered extra FAFSAs in part because many students like to fill something out on paper before inputting their FAFSA answers at www.fafsa.ed.gov.

To help students better prepare for FAFSA on the Web, we have developed the FAFSA on the Web Worksheet. The worksheet follows the order of the questions on the online FAFSA (while the paper FAFSA is ordered differently), so we strongly recommend students use it to prepare their responses. You can find the worksheet in Appendix F of this handbook or at www.studentaid.ed.gov/worksheet.



HANDOUTS

You'll find several handouts on the following pages. These handouts may be distributed to provide basic information about student aid and postsecondary education opportunities.

These handouts also can be found in PDF and Word formats—in both English and Spanish—on the *Student Aid on the Web* publications page. The publications page is at www.studentaid.ed.gov/pubs

The handout topics are...

Federal Student Aid at a Glance

Federal Student Aid Application Process

Federal Student Aid Web Sites

Myths About Financial Aid

Why Go To College?

College Preparation Checklist

Choosing a Career

Choose a School Carefully

Need Training for a Job?

What is a U.S. Department of Education PIN and why do I need one?

What information do I need when I fill out the FAFSA?

What's so great about doing the FAFSA online?

Am I dependent or independent?

Who is my "parent" when I fill out the FAFSA?

How Your Financial Aid Administrator Can Help You

Don't Get Scammed on Your Way to College!

Be an Informed Consumer...

Why Get a Federal Student Loan?

Got a Federal Student Loan? Be a Responsible Borrower!

Student Aid and Identity Theft

Military Scholarships

DID YOU KNOW...

The Federal Student Aid Information Center (FSAIC) isn't just for students. Counselors may call 1-800-4-FED-AID to get a variety of questions answered. Check out Appendix B for more information about how the FSAIC can help you.



Federal Student Aid at a Glance

WHO gets federal student aid?

Our most basic eligibility requirements are that you must

- demonstrate financial need,
- be a U.S. citizen or eligible noncitizen with a valid Social Security number, and
- show by one of the following means that you're qualified to obtain a postsecondary education:
 - Have a high school diploma or a General Education Development (GED) certificate;
 - pass an approved ability-to-benefit test (if you don't have a diploma or GED, a school can administer a test to determine whether you can benefit from the education offered at that school);
 - meet other federally approved standards your state establishes; or
 - complete a high school education in a home school setting approved under state law.

WHAT is federal student aid?

It's financial help if you're enrolled in an eligible program as a regular student at a school participating in our federal student aid programs. (By "school," we mean a four-year or two-year public or private educational institution, a career school or a trade school.)

Federal aid covers school expenses, including tuition and fees, room and board, books and supplies, and transportation. Aid can also help pay for a computer and for dependent care.

There are three categories of federal student aid: grants, work-study and loans. Check with your school to find out which programs your school participates in.

HOW do you apply for federal student aid?

1. Complete the *Free Application for Federal Student Aid* (FAFSA)—the online version (*FAFSA on the Web*) or the paper FAFSA.

- For *FAFSA on the Web*, go to www.fafsa.ed.gov. Using *FAFSA on the Web* is faster and easier than using paper.
- If you don't have Internet access, you can get a paper FAFSA from
 - a high school guidance office,
 - a college financial aid office,
 - a local public library, or
 - our Federal Student Aid Information Center at **1-800-4-FED-AID (1-800-433-3243)**.

You can apply beginning January 1, 2006; you have until July 2, 2007 to submit your FAFSA. But, you need to apply early! Schools and states often use FAFSA information to award nonfederal aid. Their deadlines are usually early in the year. You can find state deadlines online at *FAFSA on the Web*. The paper FAFSA lists state deadlines on the front of the form. Check with the schools you're interested in for their deadlines.

2. Review your *Student Aid Report* (SAR).

After you apply, you'll receive a *Student Aid Report*. Your SAR contains the information reported on your FAFSA and usually includes your Expected Family Contribution (EFC). The EFC, a measure of your family's financial strength, is used to determine your eligibility for federal student aid. Review your SAR information as soon as you get it and make any corrections or changes, if necessary. The school(s) you list on your FAFSA will get your SAR data electronically. Schools not listed on your FAFSA must receive your complete, correct SAR data by your last day of enrollment or by September 17, 2007, whichever comes first.

3. Contact the school(s) you might attend.

Make sure the financial aid office at each school you're interested in has all the information needed to determine your eligibility. If you're eligible, each school's aid administrator will send you an award letter outlining the amount and types of aid (from all sources) the school will offer you. You can compare award letters from the schools you applied to and see what aid you can receive from each school.



Federal Student Aid at a Glance, continued

Federal Student Aid Programs			
Federal Student Aid Program	Type of Aid	Program Details	Annual Award Amounts
Federal Pell Grant	Grant: Does not have to be repaid	Available almost exclusively to undergraduates; all eligible students will receive the Federal Pell Grant amounts they qualify for	\$400 to \$4,050 for 2005-06; 2006-07 amount will depend on program funding
Federal Supplemental Educational Opportunity Grant (FSEOG)	Grant: Does not have to be repaid	For undergraduates with exceptional financial need; priority is given to Federal Pell Grant recipients; funds depend on availability at school	\$100 to \$4,000
Federal Work-Study	Money is earned while attending school; does not have to be repaid	For undergraduate and graduate students; program encourages community service work and work related to course work. Jobs can be on campus or off campus; students are paid at least minimum wage.	No annual minimum or maximum award amounts
Federal Perkins Loan	Loan: must be repaid	Loans at 5% interest for both undergraduate and graduate students; payment is owed to the school that made the loan	\$4,000 maximum for undergraduate students; \$6,000 maximum for graduate students; no minimum award amount
Subsidized FFEL¹ or Direct² Stafford Loan	Loan: must be repaid; must be at least a half-time student	Subsidized: U.S. Department of Education pays interest while borrower is in school and during grace and deferment periods; must demonstrate financial need	\$2,625 to \$8,500, depending on grade level
Unsubsidized FFEL¹ or Direct² Stafford Loan	Loan: must be repaid; must be at least a half-time student	Unsubsidized: Borrower is responsible for interest during life of the loan; financial need not a requirement	\$2,625 to \$18,500, depending on grade level (includes any subsidized amounts received for the same period)
FFEL¹ or Direct² PLUS Loan	Loan: must be repaid	Available to parents of dependent undergraduate students enrolled at least half time	Maximum amount is cost of attendance minus any other financial aid the student receives; no minimum award amount

¹This type of loan is from the Federal Family Education Loan (FFEL) Program. The loan is known as a FFEL (or Federal) Stafford (or PLUS) Loan.

²This type of loan is from the William D. Ford Federal Direct Loan Program. The loan is known as a Federal Direct Stafford (or PLUS) Loan.



START HERE
GO FURTHER

FEDERAL STUDENT AID

Federal Student Aid Application Process

STEP
1

Get a PIN, a personal identification number. A PIN lets you apply, “sign” your online FAFSA, make corrections to your application information, and more—all online. Go to www.pin.ed.gov

STEP
2

Collect the documents needed to apply, including income tax returns and W-2 forms (and other records of income). A full list of what you need is at www.fafsa.ed.gov. Tax return not completed at the time you apply? Estimate the tax information, apply, and correct information later.

STEP
3

Complete the *Free Application for Federal Student Aid* (FAFSA) between January 1, 2006 and July 2, 2007 (no exceptions to either date!). BUT, apply as soon as possible after January 1 to meet school and state aid deadlines (see note at bottom of page). Apply online (the faster and easier way) by going to www.fafsa.ed.gov.

STEP
4

Review your *Student Aid Report* (SAR)—the result of your FAFSA application. If necessary, make changes or corrections and resubmit your SAR for reprocessing. Your complete, correct SAR will contain your Expected Family Contribution (EFC)—the number used to determine your federal student aid eligibility.

STEP
5

If you are selected for verification, your school’s financial aid office will ask you to submit tax returns and other documents, as appropriate. Be sure to meet the school’s deadline, or you will not be able to get federal student aid.

STEP
6

Whether you’re selected for verification or not, make sure the financial aid office at the school has all the information needed to determine your eligibility.

STEP
7

All students: Contact the financial aid office if you have any questions about the aid being offered.
First-time applicants: Review award letters from schools to compare amounts and types of aid being offered. Decide which school to attend based on a combination of (a) how well the school suits your needs and (b) its affordability after all aid is taken into account.

Note:

You also might be able to get financial aid from your state government, your school, or a private scholarship. Research nonfederal aid early (ideally, start in the spring of your junior year of high school). Be sure to meet all application deadlines!

**Need more information about paying for college?
Visit our Web site at www.FederalStudentAid.ed.gov**



Federal Student Aid Web Sites

What are you going to do with your life? And how are you going to get there? Our Web sites can help you decide on a career, find a school to prepare you for that career, and get funding to pay for that school.

Student Aid on the Web:
www.FederalStudentAid.ed.gov

Information about **federal student aid** and **preparing for college**:

- Fill out a questionnaire to find out what careers might be right for you.
- Input your preferences (size of school, location, etc.) to search for the **college or career school that fits your needs**.
- **Look for scholarships** using a free search service.
- Learn about the **SAT** and the **ACT Assessment**.
- **Calculate** student loan repayments.
- Find out about the Hope and Lifetime Learning **education tax credits**.

PIN Web site:
www.pin.ed.gov

Apply for a U.S. Department of Education PIN to help your financial aid application move faster.

FAFSA on the Web:
www.fafsa.ed.gov

Free Application for Federal Student Aid (FAFSA)—apply on the Web and/or look up **federal school codes**. This is a **FREE** site! If you're asked for bank account or credit card information, you're not dealing with the U.S. Department of Education.



Myths About Financial Aid

"I'm not going to bother filling out the *Free Application for Federal Student Aid* because..."

"...my parents make too much money, so I won't qualify for aid."

Reality: There is no income cut-off to qualify for federal student aid. Many factors besides income—from the size of your family to the age of your older parent—are taken into account. Your eligibility is determined by a mathematical formula, not by your parents' income alone. And remember: when you fill out the *Free Application for Federal Student Aid* (FAFSA), you're also automatically applying for funds from your state, and possibly from your school as well. Don't make assumptions about what you'll get—fill out the application and find out.

"...only students with good grades get financial aid."

Reality: While a high grade point average will help a student get into a good school and may help with academic scholarships, most of the federal student aid programs do not take a student's grades into consideration. Provided a student maintains satisfactory academic progress in his or her program of study, federal student aid will help a student with an average academic record complete his or her education.

"...you have to be a minority to get financial aid."

Reality: Funds from federal student aid programs are awarded on the basis of financial need, not on the basis of race. The FAFSA doesn't even collect this kind of information about an applicant.

"...the form is too hard to fill out."

Reality: The FAFSA is easier than ever, especially if you fill it out online at www.fafsa.ed.gov. There are detailed instructions for every question, and the form walks you through step by step, asking only the questions that apply to you. If you need help, you can access real-time, private online chat with a customer service representative. If you're filling out the paper FAFSA, you can get help from a high school counselor, from the financial aid office at the school you plan to attend, or from our toll-free number: **1-800-4-FED-AID**. And remember, the FAFSA and all these sources of advice are FREE.

For more information about federal student aid, see www.FederalStudentAid.ed.gov or call the Federal Student Aid Information Center at

1-800-4-FED-AID (1-800-433-3243)

TTY: 1-800-730-8913

Toll number for inquirers calling from foreign countries: **+1-319-337-5665**



Why Go To College? (How about... to get a good job!)

Can't I get a good job now?

Yes, maybe you could, but statistics are against you. Check out the earnings and unemployment rates for people with different levels of education:

Unemployment rate in 2004 (percent)	Level of education completed	Median earnings in 2003 (dollars)
1.7	Professional degree	95,699
1.8	Doctorate	79,403
2.5	Master's degree	59,508
3.0	Bachelor's degree	49,889
3.7	Associate degree	37,605
4.5	Some college, no degree	35,714
5.0	High school graduate, no college	30,766
8.5	Less than a high school diploma	22,939

Sources: Bureau of Labor Statistics; Census Bureau.

Sometimes it's hard to stay in school if you think you need to be working to earn money. But if you finish high school and go on to college, you'll have a wider variety of jobs to choose from, and you'll earn more—especially in the long run.

But I don't know what career to go into!

If you're having trouble deciding what to do, talk to your school counselor or visit www.FederalStudentAid.ed.gov to fill out an interest inventory. Based on your answers, the questionnaire will provide a list of careers that fit your interests. You can then use the college search tool on our site to find schools offering courses of study appropriate to your career choice.

Doesn't college cost a lot of money?

Think of college as an investment: you spend money now so you can earn more later. Take a look at www.FederalStudentAid.ed.gov for information about the federal student aid programs administered by the U.S. Department of Education. The site also has a free scholarship search. Still have questions? Call the Federal Student Aid Information Center at **1-800-4-FED-AID (1-800-433-3243)**.



It pays to stay in school!



College Preparation Checklist

Pre-High School

- Start saving for college if you haven't already. Look into college savings plans that your state may offer.
- Take classes that challenge you.
- Do your best in school. If you are having difficulty, don't give up—get help from a teacher, tutor or mentor.
- Investigate which high schools or special programs will most benefit your future interests.
- Become involved in school- or community-based extracurricular activities that enable you to explore your interests, meet new people and learn new things.

High School

Every Year

- Continue to save for college.
- Take challenging classes in core academic subjects: most colleges require 4 years of English, at least 3 years of social studies (history, civics, geography, economics, etc.), 3 years of mathematics, and 3 years of science, and many require 2 years of a foreign language. Round out your course load with classes in computer science and the arts.
- Stay involved in school- or community-based extracurricular activities that interest you or enable you to explore career interests. Consider working or volunteering. *Remember—it's quality (not quantity) that counts.*
- Save copies of your report cards, awards, honors and best work for your academic portfolio.
- Athletes, artists, scholars and others should start collecting items for their portfolios (such as game tapes, newspaper clippings, stats, awards, artwork, photographs, school papers, etc.).

9th Grade

- Take challenging core classes. (Core subjects are listed above, under "Every Year.")
- Start planning for college and thinking about your career interests. At www.FederalStudentAid.ed.gov you can register with MyFSA and research your career and college options.

10th Grade

- Continue to take challenging core classes. (Core subjects are listed above, under "Every Year.")
- Meet with your school counselor or mentor to discuss colleges and their requirements.
- Talk to adults about what they like and dislike in their jobs and about what kind of education is needed for each kind of job.
- Consider taking a practice Preliminary SAT (PSAT), or the PLAN exam, also known as the "pre-ACT."*
- Ask your teachers and counselors whether Advanced Placement classes are offered in your school. You may want to consider taking them in your junior year.
- Plan to use your summer wisely: work, volunteer and/or take a summer course (away or at a local college).

*Remember: Register for all tests in advance and be sure to give yourself time to prepare appropriately. If you have difficulty paying a registration fee, see your school counselor about getting a fee waiver.

College Preparation Checklist

11th Grade

All Year

- ❑ Continue to save money for college.
- ❑ Continue to challenge yourself academically. Most colleges require 4 years of English, at least 3 years of social studies (history, civics, geography, economics, etc.), 3 years of mathematics, and 3 years of science, and many require 2 years of a foreign language. Round out your course load with classes in computer science and the arts.
- ❑ Stay involved in school- or community-based extracurricular activities that interest you or enable you to explore career interests. Consider working or volunteering. *Remember: it's quality (not quantity) that counts.*
- ❑ Update your portfolio. (A portfolio might include awards, game tapes, newspaper clippings, artwork, etc.)
- ❑ Talk to people you know who went to college to learn about what to expect.
- ❑ Research colleges that interest you. Visit them and talk to students. Make lists to help you compare different colleges. Think about things like location, size, special programs and college costs.
- ❑ Go to college fairs and presentations by college representatives.
- ❑ Investigate financial aid, including scholarships. Understand the different types of aid and sources for aid. Check your school's scholarship postings, colleges' financial aid Web pages and your library for directories of special scholarships.
- ❑ For more information about scholarships and federal student aid opportunities, visit www.FederalStudentAid.ed.gov.
- ❑ Write to your U.S. Senator or Representative if you would like to attend a U.S. military academy.
- ❑ See your school counselor if you are interested in participating in an ROTC program.

Spring

- ❑ Register for and take exams for college admission.* Many colleges accept the SAT I and/or SAT II: Subject Test, while others accept the ACT. Check with colleges you are interested in to see what tests they require.
- ❑ Make sure you file with the NCAA (National Collegiate Athletic Association) Clearinghouse if you want to play for a Division I or II team. When registering for and taking the SAT or ACT, enter "9999" as one of the college choices to have test scores sent to the Clearinghouse.

Summer Before 12th Grade

- ❑ Narrow down the list of colleges you are interested in attending. If you can, visit schools that interest you.
- ❑ Contact colleges to request information and applications for admission. Ask about financial aid, admission requirements and deadlines.
- ❑ Decide whether you are going to apply under a particular college's early decision or early action program. Be sure to learn about the program deadlines and requirements.
- ❑ Begin preparing for the application process: draft application essays; collect writing samples; assemble portfolios or audition tapes.
- ❑ If you are an athlete and plan to play in college, contact the coaches at the schools to which you are applying and ask about intercollegiate and intramural sports programs and athletic scholarships.

Fall

- ❑ Take the Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT).* Even if you took it for practice last year, you must take the test in 11th grade to qualify for scholarships and programs associated with the National Merit Program.

*Remember: Register for all tests in advance and be sure to give yourself time to prepare appropriately. If you have difficulty paying a registration fee, see your school counselor about getting a fee waiver.



Download a copy of this fact sheet at www.studentaid.ed.gov/checklist

College Preparation Checklist

12th Grade

All Year

- ❑ Keep taking classes that challenge you. Most colleges require 4 years of English, at least 3 years of social studies (history, civics, geography, economics, etc.), 3 years of mathematics, and 3 years of science, and many require 2 years of a foreign language. Round out your course load with classes in computer science and the arts.
- ❑ Update your portfolio. (A portfolio might include awards, game tapes, newspaper clippings, artwork, etc.)
- ❑ Work hard all year; second-semester grades can affect scholarship eligibility.
- ❑ Stay involved and seek leadership roles in your activities.

Fall

- ❑ Meet with your school counselor: are you on track to graduate and fulfill college admission requirements?
- ❑ If you haven't done so already, register for and take exams such as the SAT I, SAT II: Subject Test, or ACT for college admission.* Check with the colleges you are interested in to see what tests they require.
- ❑ Apply to the colleges you have chosen. Prepare your application carefully. Follow the instructions, and PAY CLOSE ATTENTION TO DEADLINES!
- ❑ Well before your application deadlines, ask your counselor and teachers to submit required documents (e.g., transcript, letters of recommendation) to the colleges to which you're applying.
- ❑ To prepare to apply for federal student aid, be sure to get a PIN at www.pin.ed.gov so that you can complete your application and access your information online. One of your parents must also get a PIN.

Winter

- ❑ Encourage your parent(s) to complete income tax forms early. If your parent(s) have not completed the tax forms, you can provide estimated information on your federal student aid application, but remember to make any necessary changes later.

- ❑ As soon after January 1 as possible, complete and submit your *Free Application for Federal Student Aid* (FAFSA), along with any other financial aid applications your school(s) of choice may require. You can complete the FAFSA online at www.fafsa.ed.gov or on paper, but completing the application online is faster and easier. You should submit your FAFSA by the earliest financial aid deadline of the schools to which you are applying, usually by early February.
- ❑ If you have questions about the federal student aid programs or need assistance with the application process, call **1-800-4-FED-AID (1-800-433-3243)** or TTY for the hearing-impaired, **1-800-730-8913**.
- ❑ After you submit the FAFSA, you should receive your *Student Aid Report* (SAR) within one to four weeks. Quickly make any necessary corrections and submit them to the FAFSA processor.
- ❑ If the schools you are applying to require it, complete the CSS Profile. Many private colleges and universities use this information to help them award nonfederal student aid funds.
- ❑ Complete scholarship applications. Apply for as many as you can—you may be eligible for more than you think.
- ❑ Parents should check their eligibility for the Hope Credit, Lifetime Learning Credit or other tax benefits.

Spring

- ❑ Visit colleges that have invited you to enroll.
- ❑ Review your college acceptances and compare financial aid packages.
- ❑ When you decide which school you want to attend, notify that school of your commitment and submit any required financial deposit. Many schools require this notification and deposit by May 1.

*Remember: Register for all tests in advance and be sure to give yourself time to prepare appropriately. If you have difficulty paying a registration fee, see your school counselor about getting a fee waiver.



Download a copy of this fact sheet at www.studentaid.ed.gov/checklist



Choosing a Career

Making the choices that are right for you

A first step in deciding what to do after high school is to talk with your school counselor or a teacher for advice. Ask your counselor about taking an aptitude test or interest inventory to find your strengths, weaknesses and interests to discover potential career choices that are right for you. You can access a free self-assessment at www.studentaid.ed.gov (click on "Preparing").

1. Learn about yourself.

- **Values**—What is important to you?
- **Interests**—What appeals to you?
- **Aptitude**—What are you good at?

2. Talk to people.

Once you've narrowed your career choices, talk to people who are working in that field or, if possible, find a parttime job in that field. It's helpful to ask questions such as, "What's good and bad about this job?" and "How did you learn your trade?" There are many sources of career and job outlook information available—go to your school library, public library, or school counselor.

3. Consider how much training you will need for the career you're interested in.

- **High school diploma:** cashier, receptionist, salesperson, security guard, telephone operator, waiter/waitress
- **Special career training:** auto technician, beautician, machinist, medical technician, police officer, computer operator, commercial artist
- **College degree:** accountant, counselor, engineer, nurse, pilot, teacher, public relations specialist
- **Graduate degree:** college professor, doctor, dentist, lawyer, veterinarian, research scientist, architect

For information about specific careers, see the *Occupational Outlook Handbook* at www.bls.gov/oco or in a library. For information about financial aid for college or career school, see www.FederalStudentAid.ed.gov



Choose a School Carefully

Going to school is a lifetime investment

Statistics show that getting training after high school will help you get a better-paying job doing work you like. But going to school is a big investment. You're investing your time. Chances are you'll also have to invest your own money or take out a student loan to go to school. So you need to be sure that you're choosing the right school.

1. Visit our Web site.

Go to www.studentaid.ed.gov and click on "Choosing." You'll find a tool that lets you search for a school based on its location, size, degree offerings and other factors. Just enter your choices, and the search tool will tell you which schools fit your preferences.

2. Talk to your counselor.

Counselors can help you focus on your needs and goals, and they have information about different types of schools. Your counselor also can help you collect or prepare application materials.

3. Shop around.

Contact more than one school. If you're looking for vocational training, check the Yellow Pages under "Schools" for phone numbers. If your area has a community college, call the admissions office or check the school's Web site to find out what kinds of training the college offers.

4. Visit the school.

Call the school and schedule a visit, preferably while classes are being taught. Get a feel for the school; make sure you're comfortable with the facilities, the equipment, the teachers and the students.

5. Don't be afraid to ask!

A good school will be happy to answer your questions about its programs. Ask the school about its students: How many graduate? How many get jobs because of the training they received? What kind of job placement services does the school offer?

6. Check the cost.

Make sure the school gives you a clear statement of its tuition and fees. Remember that any financial aid you get will be applied first to paying the school's tuition and fees. If there's any money left over, the school will give it to you to help you pay for things such as food and rent.

7. Call.

Call your local Better Business Bureau (or visit www.bbb.com), state higher education agency, or consumer-protection division of your state attorney general's office to find out whether there have been any complaints about the school. Call the U.S. Department of Education's Federal Student Aid Information Center's toll-free number (**1-800-4-FED-AID**) if you have any questions about your financial aid at the school. You also can access our Web site at www.FederalStudentAid.ed.gov.



Need Training for a Job?

Before you sign up for a vocational school or correspondence course:

1. Define your goals.

Do you want to learn a skill, prepare for a test, get a job, or get a license or certification?

2. Comparison shop.

Look at the choices. Which schools offer the best combination of affordable fees and a solid education? Does on-the-job training, a community college program, an online course, or a vocational school make the most sense? Your high school counselor can help you find answers to those questions.

3. Do a background check.

Ask employers you might want to work for what they think about the school. Call recent graduates to ask about their experience at the school. Visit the school when class is in session. Stick around to talk to current students. Call the agency that licenses or accredits the school to see whether it meets required standards. Call your local Better Business Bureau (or visit www.bbb.com) to find out whether there have been any complaints about the school.

Important Points:

Take your time. *Don't sign a contract until you've read it...and understood it. Ask questions about repayment terms, refund and cancellation policies, and finding a job after you finish the course. What happens if you have to quit before you finish? It's a good idea to ask someone you trust to read and evaluate the forms, too.*

If you're unhappy *with the school or program you chose—or if you think you were misled—complain. To whom? The agency that licenses or accredits the school, the Federal Trade Commission, or the Better Business Bureau.*

For further information about choosing a vocational school, access the Consumer Protection area of the Federal Trade Commission's Web site at www.ftc.gov/bcp/menu-jobs.htm.



What is a U.S. Department of Education PIN and why do I need one?

Your U.S. Department of Education PIN is the personal identification number you use when you visit certain Department Web sites. When you type in your PIN at these sites, you are saying either “Yes, it’s really me—please show me the personal information about me on this site” or “Please accept my PIN as my electronic signature on this online form.”

For example, you can use your PIN to do the following:

- sign your online *Free Application for Federal Student Aid* (FAFSA) at www.fafsa.ed.gov;
- review what federal student aid you have received in the past by visiting the National Student Loan Data System at www.nslds.ed.gov;
- sign certain federal student loan contracts online;
- find out whether your FAFSA has been processed at www.fafsa.ed.gov; or
- correct information you reported on your FAFSA at www.fafsa.ed.gov.

Visit www.pin.ed.gov/pin_uses.htm for more ways you can use your PIN.

How do I get a PIN?

1. Go to www.pin.ed.gov and provide a few pieces of information such as your name, address and Social Security number.
2. Watch for an e-mail that will give you the link to a site where you can access your PIN. We won’t send your PIN to you in the e-mail itself for security reasons. Instead, we’ll ask you for some personal information to identify yourself before we show you your PIN.

What else do I need to know about my PIN?

Keep your PIN in a safe place or memorize it. Never tell anyone else your PIN, even if they are helping you fill out the FAFSA. Remember, your PIN is your signature. Protect it!

One of your parents might need a PIN as well. If you need to provide information about your parents on the FAFSA, one of your parents will have to sign the application. He or she can sign electronically with his or her own PIN. Not sure whether you will need to put your parents’ information on the FAFSA? Check out “Am I dependent or independent?” at www.studentaid.ed.gov/pubs or call **1-800-4-FED-AID (1-800-433-3243)**.

You can use your PIN again next year. Your PIN (and your parent’s PIN) will not expire at the end of the school year, and you can continue to use it in the future to renew your FAFSA, sign loan contracts, etc. If your parent has more than one child in college, that parent can use the same PIN to sign FAFSAs for every child.



What information do I need when I fill out the FAFSA?

You should have the following information and documents with you as you fill out the *Free Application for Federal Student Aid* (FAFSA):

- Your Social Security number;
- Your parents' Social Security numbers if you are providing parent information*;
- Your driver's license number if you have one;
- Your Alien Registration Number if you are not a U.S. citizen;
- Federal tax information or tax returns including IRS W-2 information, for yourself and spouse, if you are married, and for your parents if you are providing parent information. If you have not yet filed an income tax return, complete and submit the form using estimated tax information. Use income records for the year prior to the academic year for which you are applying: for instance, if you are filling out the 2006–07 FAFSA, you will need 2005 tax information.
- Records of your untaxed income, such as Social Security benefits, Temporary Assistance for Needy Families (TANF) benefits and veterans benefits, for yourself, and for your parents if you are providing parent information; and
- Information on savings, investments, and business and farm assets for yourself, and for your parents if you are providing parent information.

Also, if you plan to complete the FAFSA online at www.fafsa.ed.gov, you should apply for a PIN at least three days before filling out the application. If you need to provide information about your parents on the FAFSA, one of your parents should get a PIN as well. You and your parent can apply for PINs at www.pin.ed.gov.

For more information about PINs, go to www.studentaid.ed.gov/pubs and read "What is a U.S. Department of Education PIN and why do I need one?" or call **1-800-4-FED-AID** and ask for a copy of *Funding Education Beyond High School: The Guide to Federal Student Aid*.

*Not sure whether you will need to put your parents' information on the FAFSA? Check out "Am I dependent or independent?" at www.studentaid.ed.gov/pubs or call **1-800-4-FED-AID (1-800-433-3243)**.



What's so great about doing the FAFSA online?

The *Free Application for Federal Student Aid* (FAFSA) is available to fill out online at www.fafsa.ed.gov. The site is known as *FAFSA on the Web*. You should use *FAFSA on the Web* instead of a paper FAFSA because

It's quick.

- You'll get your results as much as three weeks faster than someone who uses the paper FAFSA. Speed is important when schools are awarding limited financial aid resources.

It's easy.

- *FAFSA on the Web* has detailed help screens for every question.
- You can get live, private online help from a customer service representative.
- Based on your answers to certain questions, *FAFSA on the Web* skips other questions that don't apply to you.

It's accurate.

- *FAFSA on the Web* notices when you've supplied answers that contradict each other, and it gives you the chance to correct your mistakes before submitting the information.
- Because of the online help and the fact that *FAFSA on the Web* checks for contradictory answers, your online application is less likely than a paper FAFSA to be delayed by the need for corrections.

It's safe.

- *FAFSA on the Web* uses encryption, which means the information you send to the site is turned into code so that anyone attempting to access your information will not be able to read it.

Okay, I believe you! What do I do now?

1. Get a U.S. Department of Education personal identification number called a PIN at www.pin.ed.gov.
2. Find out what documents you need at www.studentaid.ed.gov/docs.
3. Fill out the *FAFSA on the Web Worksheet* at www.studentaid.ed.gov/worksheet (this step is optional; the worksheet was designed for students who feel more comfortable filling something out on paper before going online to enter their application information).
4. Fill out the FAFSA at www.fafsa.ed.gov.
5. Keep an eye on your e-mail in-box for a response and further instructions.



Am I dependent or independent?

When I fill out the *Free Application for Federal Student Aid (FAFSA)*, will I have to provide information about my parents?

It depends. Answer these questions:

Were you born before Jan. 1, 1983?	Yes	No
At the beginning of the 2006–07 school year, will you be working on a master’s or doctorate degree (such as an M.A., M.B.A., M.D., J.D., Ph.D., Ed.D., or graduate certificate, etc.)?	Yes	No
Are you married? (Answer “Yes” if you are separated but not divorced.)	Yes	No
Do you have children who receive more than half of their support from you?	Yes	No
Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through June 30, 2007?	Yes	No
Are (a) both of your parents deceased or (b) are you (or were you until age 18) a ward or dependent of the court?	Yes	No
Are you a veteran of the U.S. Armed Forces?*	Yes	No

* Answer **No** (you are not a veteran) if you (1) have never engaged in active duty in the U.S. Armed Forces, (2) are currently a Reserve Officers’ Training Corps (ROTC) student or a cadet or midshipman at a service academy or (3) are a National Guard or Reserves enlistee activated only for training. Also answer No if you are currently serving in the U.S. Armed Forces and will continue to serve through June 30, 2007.

Answer **Yes** (you are a veteran) if you (1) have engaged in active duty in the U.S. Armed Forces (Army, Navy, Air Force, Marines or Coast Guard) or are a National Guard or Reserve enlistee who was called to active duty for purposes other than training, or were a cadet or midshipman at one of the service academies **and** (2) were released under a condition other than dishonorable. Also answer Yes if you are not a veteran now but will be one by June 30, 2007.

Did you answer Yes to **any** of the questions? If so, then for federal student aid purposes, you’re considered to be an independent student and do not have to provide information about your parents on the FAFSA.

Did you answer No to every question? If so, then for federal student aid purposes, you’re considered to be a dependent student and you must provide information about your parents on the FAFSA. Not sure who counts as your parent? See the instructions on the FAFSA or check out “Who is my ‘parent’ when I fill out the FAFSA?” at www.studentaid.ed.gov/pubs.

If you have no contact with your parents and don’t know where they live, you should discuss your situation with the financial aid office at the college or career school you plan to attend. The financial aid administrator will help you figure out what to do next.

Fill out the FAFSA online at www.fafsa.ed.gov.



Download this fact sheet from www.studentaid.ed.gov/pubs



Who is my “parent” when I fill out the FAFSA?

Maybe you know you’re considered a dependent student* by the FAFSA, and you’re supposed to put information about your parents on the application. But what if your parents are divorced? Remarried? What if you live with your sister? Here’s some information that might help.

- If your parents are living and married to each other, answer the questions about them.
- If your parent is widowed or single, answer the questions about that parent. If your widowed parent is remarried as of the day you sign the FAFSA, answer the questions about that parent and the person whom your parent married (your stepparent).
- If your parents are divorced or separated, answer the questions about the parent with whom you lived more during the past 12 months.
 - If you lived exactly six months with each parent, give answers about the parent who provided more financial support during the past 12 months or during the most recent year that you actually received support from a parent. If this parent is remarried as of today, answer the questions on the FAFSA about that parent and the person whom your parent married (your stepparent).
- The following people are not your parents unless they have adopted you: grandparents, foster parents, legal guardians, older brothers or sisters, and uncles or aunts.

EXCEPTION: FAFSA questions 28 and 29 ask about your parents’ education level. For these two questions, your parents are considered to be your birth parents or adoptive parents—your stepparent is not your parent in these questions.

What if my parents don’t want to help me pay for college?

They don’t have to, but we do need their information to put together a picture of your family’s financial strength. This helps determine how much help the government can give you to pay for school.

What if my parents don’t want to provide their private information on the FAFSA?

Their information is safe with us. We recommend you fill out your FAFSA online, where your information is put into special code before it’s sent over the Internet to our processor. Also, we won’t share your FAFSA information with anyone except the schools you tell us you want to attend (so they can use the information to award financial aid to you) and a few federal government agencies (so they can check to be sure you’ve reported your information accurately).

What if I don’t live with my parents?

You still must answer the questions about them if you’re considered a dependent student.

What if I have no contact with my parents?

If you don’t know where your parents are, or you’ve left home due to an abusive situation, get in touch with the financial aid office at the college or career school you plan to attend. The financial aid administrator will tell you what to do next. Don’t put this off or you might miss financial aid deadlines!

*To find out whether you are a dependent student, see “Am I dependent or independent?” at www.studentaid.ed.gov/pubs or call 1-800-4-FED-AID.



How Your Financial Aid Administrator Can Help You

What's a financial aid administrator?

A financial aid administrator (FAA) works at a college or career school to help the school's students apply for, receive and—in many cases—learn how to repay their student aid.

When should I first contact my FAA?

While researching the school before applying, be sure to find out what types of financial aid are available at that school. Your research should include a visit to the financial aid office's Web site. Later, as you prepare to apply for aid at that school, the FAA will be able to answer your questions about the process.

What questions can my FAA answer for me?

- What financial aid can I apply for through my school and through my state education agency?
- What are the financial aid application deadlines at my school?
- How do I fill out the *Free Application for Federal Student Aid* (FAFSA)?

- Do I have to include my parents' information on the FAFSA?
- I went to a Web site that I thought was the FAFSA site, but it asked for my credit card number. Do I need to pay to fill out the FAFSA?
- What am I supposed to do with my *Student Aid Report*?
- What is verification, what documents must I provide and when, and why was I chosen in the first place?
- When will I find out how much aid I've been awarded?
- What are all these different kinds of aid my school has awarded me?
- What if I'm not awarded enough money to pay for all my school-related expenses?

If you have any other questions or concerns about the financial aid process, contact the financial aid office at your school. Your FAA is there to help you.



Don't Get Scammed on Your Way to College!

Financial aid scams are a hot topic these days. You should be aware of the tactics companies use to convince students to buy their services. Here are some of the most common claims students are hearing:

"If you use our services, you're guaranteed to get at least \$2,000 in student aid for college, or we'll give you your money back."

This claim doesn't mean anything. Most students are eligible for at least \$2,625 in unsubsidized student loans anyway—and because a student loan is considered student aid, you won't be able to ask for a refund if that's all you're offered. No one can guarantee to get you a grant or scholarship. Remember, too, that refund guarantees often have conditions or strings attached. Get refund policies in writing.

"Applying for aid is complicated. We're the only ones who can help you through the process and find all the aid for which you're eligible."

Unlikely. There are many places to get free help applying for student aid. Check with your school counselor or college financial aid office for help filling out the *Free Application for Federal Student Aid* (FAFSA). Your school or college also can help you find scholarships. And be sure to try the free scholarship search at www.FederalStudentAid.ed.gov.

"I'd like to offer you a scholarship [or grant]. All I need is your bank account information so the money can be deposited and a processing fee charged."

Watch out! It's extremely rare for a legitimate organization to charge a processing fee for a scholarship. Some criminals imitate legitimate foundations, federal agencies, and corporations. They might even have official-sounding names to fool students. Don't give anyone your bank account or credit card information or your Social Security number (SSN) unless you initiated the contact and trust the company. Such personal identification information could be used to commit identity theft. If you've been contacted by someone claiming to be from the U.S. Department of Education (ED) and asking for your SSN or bank account information, do not provide it. (ED does not make such calls.) Instead, immediately contact the agencies listed below.

To find out how to prevent or report a financial aid scam, visit or call:

Federal Trade Commission
www.ftc.gov/scholarshipscams
1-877-FTC-HELP (1-877-382-4357)
(TTY for the hearing-impaired:
1-866-653-4261)

**U.S. Department of Education Office of
Inspector General Fraud Hotline**
www.ed.gov/misused
1-800-MIS-USED (1-800-647-8733)

For more ideas about where to find free information on student aid, visit Looking for Student Aid at www.studentaid.ed.gov/LSA.





Be an Informed Consumer...

when it comes to federal student aid

Enrollment contracts

Read any school enrollment contract carefully before you sign it. The contract explains what the school will give you for your money. If a representative of the school promises you things that are not in the contract, such as help finding a job, ask that the promise be written into the contract and that it be signed and dated. A promise is usually not enforceable unless it is in writing.

Tuition and fees

If you're enrolling in a **community college** or **four-year college**, you will probably get a tuition and fee bill before each term (semester or quarter) begins; a portion of your federal student aid will be paid each term. If you're enrolling at a **vocational school**, you usually will be charged tuition and fees for the entire educational program at the beginning. However, your federal student aid will usually be divided into at least two payments each year. Most schools use your financial aid to pay your tuition and fees. If there's any left over, the school must give it to you to help pay your living expenses.

Loans

Even if you qualify for a full Federal Pell Grant (free aid), your cost of attendance might not be entirely covered. If other grant aid and work-study aren't available, check with your school about the types of loans you can get. Before you borrow, think about how you will afford to pay the money back. Either the school or the lender must give you a repayment schedule that explains how much your loan payments will be and when you have to start making the payments.

Remember that you must pay back a loan, even if you drop out of school or don't find a job after you graduate.

Refund policy

It's important to find out whether you can get a refund from the school if you drop out before you get your degree or certificate. Every school that uses federal student aid must give you a copy of its refund policy if you request it. If you received financial aid and you withdraw, some or all of the money might have to be returned (by you or the school) to the source of the aid. Be sure to let the school know exactly when you plan to withdraw—it may reduce your debt.



START HERE
GO FURTHER

FEDERAL STUDENT AID

Why Get a Federal Student Loan?

While every student wants free money in the form of scholarships and grants, not everyone can get enough free money to cover the entire cost of college or career school.

If you've filled out your FAFSA and your school has offered you federal student loans (your school might call them Stafford Loans, Direct Loans, FFEL Loans or Perkins Loans), here are some things to consider:

- You don't have to start paying back your federal student loans until you graduate or drop out of school. If you get a private loan, you'll have to start making payments right away.
- The interest rate on a federal student loan is almost always lower than that on a private loan—and much lower than that on a credit card!
- Students with greater financial need might qualify to have the government pay their interest while they are in school.
- You don't need a credit record to get a federal student loan.
- You don't need a cosigner to get a federal student loan.

As you can see, a federal student loan is a much better option than a private loan or a credit card. However, do remember that you are responsible for repaying your loan, so don't borrow more than you need for school-related expenses. And if you find you're going to have trouble making your payments, be sure to get in touch with your lender as soon as possible to see what arrangements can be made.

For more information about the types of federal student loans, repayment options, and what happens if you don't make your payments on time, check out our guide called *Repaying Your Student Loans*. The guide is online at www.studentaid.ed.gov/repayingpub or order a copy of the booklet from **1-800-4-FED-AID (1-800-433-3243)**.



Got a Federal Student Loan? Be a Responsible Borrower!

- A loan, unlike a grant, is borrowed money that must be repaid.
- You must repay your loan even if you didn't like the education you received or you can't find a job after you graduate.
- You must keep your lender informed of any changes in your name, address, telephone number, Social Security number, or school enrollment status.
- You must make payments on your loan even if you don't receive a bill or repayment notice. Billing statements are sent to you as a convenience, but you have to make payments even if you don't receive any reminders.
- You can prepay the whole loan or any part of it at any time without penalty. This means you are paying some of the loan before it's due.
- If you apply for deferment*, forbearance* or consolidation*, you must continue to make payments on your loan until you have been notified that your request has been processed and approved.
- Your student loan account balance and status will be reported to national credit bureaus on a regular basis. Just as failing to repay your loan can damage your credit rating, repaying your loan responsibly can help you establish a good credit rating.
- The consequences of defaulting (failing to pay according to your loan contract) on a federal student loan are severe and long lasting. For example, you might not be able to buy a car, and your federal income tax refund could be applied to your student loan balance instead of being sent to you.
- There are repayment options available to assist you if you're having trouble making payments.

Need more information? Check out *Repaying Your Student Loans* at

www.studentaid.ed.gov/repayingpub

If you don't have Internet access, call **1-800-4-FED-AID (1-800-433-3243)** and ask for a copy of the book to be sent to you.

* Deferment and forbearance are ways of putting off or temporarily reducing loan payments. Consolidation means combining two or more federal student loans into a single loan. For details about these terms, read *Repaying Your Student Loans*.





Student Aid and Identity Theft

Safeguard Your Student Aid Information

Identity Theft

How does identity theft happen? Criminals use their access to personal data such as names, telephone numbers, Social Security numbers, and bank and credit card information. Using the stolen data, the criminal can fraudulently obtain credit cards, buy items over the Internet, and even establish cellular phone accounts. Complaints to the Federal Trade Commission about identity theft have increased greatly each year since the Commission began compiling its complaint database.

Reduce Your Risk

- Apply for federal student aid by filling out the *Free Application for Federal Student Aid* (FAFSA) at www.fafsa.ed.gov.
- After completing the FAFSA electronically, remember to exit the application and close the browser.
- Keep your U.S. Department of Education (ED) PIN in a secure place. (Get your PIN at www.pin.ed.gov.)
- Don't reveal your PIN to anyone, even if that person is helping you fill out the FAFSA. The only time you should be using your PIN is when you are on ED Web sites, which are secure.
- Review your financial aid award documents and keep track of the amount of aid applied for and awarded.
- Shred receipts and copies of documents with personal information if they are no longer needed.
- Immediately report all lost or stolen identification (credit card, driver's license, etc.) to the issuer.

How We Keep Your Information Safe

ED cares about the privacy of your personal information. The information you share with us via our secure Web sites (e.g., www.fafsa.ed.gov and www.pin.ed.gov) goes through a process called encryption. Encryption uses a mathematical formula to scramble your data into a format that is unreadable by anyone who might intercept it. This is how we do our part to keep your information safe—but you need to do yours as well.

Report Identity Theft

If you become a victim of identity theft or suspect that your student information has been stolen, contact

U.S. Department of Education
Office of Inspector General Hotline
1-800-MIS-USED (1-800-647-8733)
complain online: www.ed.gov/misused

Federal Trade Commission
1-877-IDTHEFT (1-877-438-4338)
complain online: www.consumer.gov/idtheft

Social Security Administration
1-800-269-0271
www.ssa.gov/pubs/idtheft.htm

Equifax Credit Bureau
1-800-525-6285
www.equifax.com

Experian Information Solutions (formerly TRW)
1-888-397-3742
www.experian.com

TransUnion Credit Bureau
1-800-680-7289
www.transunion.com



Military Scholarships

These scholarships are awarded on the basis of merit rather than financial need.

Army Reserve Officer Training Corps

Army Reserve Officer Training Corps (ROTC) scholarships are offered at hundreds of colleges. Application packets, information about eligibility, and the telephone number of an ROTC advisor in your area are available from

College Army ROTC

Telephone: **1-800-USA-ROTC (1-800-872-7682)**

Web site: www.armyrotc.com

Air Force Reserve Officer Training Corps

The Air Force Reserve Officer Training Corps (AFROTC) college scholarship program targets students pursuing technical degrees, such as certain engineering and science programs, although students entering a wide variety of majors may be accepted. Information about AFROTC scholarships is available from

College Scholarship Section

Telephone: **1-866-423-7682**

Web site: www.afrotc.com

Naval Reserve Officers Training Corps

The Naval Reserve Officers Training Corps (NROTC) offers both two-year and four-year scholarships. For information about the program, contact

Naval Service Training Command

Telephone: **1-800-NAV-ROTC (1-800-628-7682)**

Web site: <https://www.nrotc.navy.mil>

E-mail: pnsn-nrotc.scholarship@navy.mil



Note: Military scholarships require recipients to serve in one of the U.S. armed forces after graduating.

APPENDIX F

2006–07 FAFSA ON THE WEB WORKSHEET

The *FAFSA on the Web Worksheet* is designed for applicants who prefer to fill something out in writing before applying online. The order of questions on the worksheet follows that of *FAFSA on the Web*, which differs from the paper FAFSA. Therefore, to avoid confusion, we strongly recommend that students not use paper FAFSAs to prepare for *FAFSA on the Web*.

If your school or program is on our mailing list, you should have received a shipment of worksheets in October 2005.

Feel free to distribute the worksheet to students at financial aid workshops, in English classes, in your office or through other channels.

Additionally, you can find the worksheet in PDF at www.studentaid.ed.gov/worksheet for downloading and printing—or you might choose to e-mail it directly to your students.

Note: The worksheet is not an application and cannot be submitted to the FAFSA processor. A student without access to the Internet should use an official paper FAFSA.



2006-2007
FAFSA ON THE WEB WORKSHEET
 WWW.FAFSA.ED.GOV

DO NOT MAIL THIS WORKSHEET.

You must complete and submit a *Free Application for Federal Student Aid (FAFSA)* to apply for federal student financial aid and to apply for most state and college aid. Applying online with *FAFSA on the Web* at www.fafsa.ed.gov is faster and easier than using a paper FAFSA.

For state or college aid, the deadline may be as early as January 2006. See the table to the right for state deadlines. Check with your high school counselor or your college's financial aid administrator about other deadlines.

- Complete this Worksheet only if you plan to use *FAFSA on the Web* to apply for student financial aid.
- Sections in purple require parent information.
- Submit your FAFSA early, but not before January 1, 2006.

Apply Faster—Sign your FAFSA with a U.S. Department of Education PIN.

If you do not have a PIN, you can apply for one at www.pin.ed.gov before beginning *FAFSA on the Web*. You will receive your PIN within a few days, and then you can electronically sign your FAFSA when you submit your information. If you are providing parent information, one parent must sign your FAFSA. To sign electronically, your parent can also apply for a PIN at www.pin.ed.gov.

You will need the following information to complete this Worksheet:

- Your Social Security Number and your parents' Social Security Numbers if you are providing parent information;
- Your driver's license number if you have one;
- Your Alien Registration Number if you are not a U.S. citizen;
- 2005 federal tax information or tax returns (including IRS W-2 information) for yourself and spouse if you are married, and for your parents if you are providing parent information. If you have not yet filed a 2005 income tax return, you can still submit your FAFSA but you must provide income and tax information.
- Records of untaxed income, such as Social Security benefits, welfare benefits (e.g., TANF), and veterans benefits, for yourself, and your parents if you are providing parent information; and
- Information on savings, investments, and business and farm assets for yourself, and your parents if you are providing parent information.

WARNING!

Be wary of organizations that charge a fee to submit your application or to find you money for school. In general, the help you pay for can be obtained for free from your school or from the U.S. Department of Education.

NOTE:

If you or your family has unusual circumstances (such as loss of employment), complete FAFSA on the Web to the extent you can, then submit the application and consult the financial aid office at the college you plan to attend.

STATE AID DEADLINES

AK	April 15, 2006 (<i>date received</i>)
AR	For Academic Challenge - June 1, 2006 (<i>date received</i>). For Workforce Grant - check with your financial aid administrator
AZ	June 30, 2007 (<i>date received</i>)
* CA	For initial awards - March 2, 2006 For additional community college awards - September 2, 2006 (<i>date postmarked</i>)
* DC	June 30, 2006 (<i>date received by state</i>)
DE	April 15, 2006 (<i>date received</i>)
FL	May 15, 2006 (<i>date processed</i>)
IA	July 1, 2006 (<i>date received</i>)
# IL	First-time applicants - September 30, 2006 Continuing applicants - August 15, 2006 (<i>date received</i>)
IN	March 10, 2006 (<i>date received</i>)
# *KS	April 1, 2006 (<i>date received</i>)
# KY	March 15, 2006 (<i>date received</i>)
# LA	May 1, 2006 Final deadline - July 1, 2006 (<i>date received</i>)
# MA	May 1, 2006 (<i>date received</i>)
MD	March 1, 2006 (<i>date received</i>)
ME	May 1, 2006 (<i>date received</i>)
MI	March 1, 2006 (<i>date received</i>)
MN	30 days after term starts (<i>date received</i>)
MO	April 1, 2006 (<i>date received</i>)
# MT	March 1, 2006 (<i>date received</i>)
NC	March 15, 2006 (<i>date received</i>)
ND	March 15, 2006 (<i>date received</i>)
NH	May 1, 2006 (<i>date received</i>)
NJ	June 1, 2006, if you received a Tuition Aid Grant in 2005-2006 All other applicants - October 1, 2006, for fall and spring terms; March 1, 2007, for spring term only (<i>date received</i>)
* NY	May 1, 2007 (<i>date received</i>)
OH	October 1, 2006 (<i>date received</i>)
# OK	April 15, 2006 Final deadline - June 30, 2006 (<i>date received</i>)
# OR	March 1, 2006 (<i>date received</i>). Final deadline - contact your financial aid administrator
* PA	All 2005-2006 State Grant recipients & all non-2005-2006 State Grant recipients in degree programs - May 1, 2006 All other applicants - August 1, 2006 (<i>date received</i>)
# RI	March 1, 2006 (<i>date received</i>)
SC	June 30, 2006 (<i>date received</i>)
TN	For State Grant - May 1, 2006 For State Lottery—September 1, 2006 (<i>date received</i>)
* WV	March 1, 2006 (<i>date received</i>)

For priority consideration, submit application by date specified.

* Additional form may be required.

Check with the school's financial aid administrator for these states and territories: AL, *AS, CO, *CT, *FM, GA, *GU, *HI, ID, *MH, *MP, MS, *NE, *NM, *NV, PR, *PW, *SD, *TX, UT, *VA, *VI, *VT, WA, WI, and *WY

SECTION 1 – STUDENT INFORMATION

- Use of this Worksheet is optional. It should not be submitted to the U.S. Department of Education or to your school.
- Not all of the questions from *FAFSA on the Web* appear in this Worksheet, but questions are generally ordered as they appear online.
- Once you are online, you may be able to skip some questions based on your answers to earlier questions.

<p>Your last name</p> <p>Your state of legal residence</p> <p>Your Social Security Number</p> <p>Your driver's license number (optional)</p>	<table border="1"> <tr><td colspan="10"></td></tr> <tr><td colspan="10"></td></tr> <tr> <td></td><td></td><td></td><td></td><td>-</td><td></td><td></td><td></td><td>-</td><td></td> </tr> <tr><td colspan="10"></td></tr> </table>																									-				-											
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<p>Are you a U.S. citizen?</p> <p>If you are neither a citizen nor an eligible noncitizen, you are not eligible for federal student aid. However, you should still complete the application, because you may be eligible for state or college aid.</p> <p>If you are in the U.S. on an F1 or F2 student visa, or a J1 or J2 exchange visitor visa, or a G series visa (pertaining to international organizations), you must answer "Neither citizen nor eligible noncitizen."</p>	<p><input type="checkbox"/> U.S. citizen</p> <p><input type="checkbox"/> Eligible noncitizen</p> <p>Generally you are an eligible noncitizen if you are:</p> <ul style="list-style-type: none"> • A U.S. permanent resident with a Permanent Resident Card (I-551); • A conditional permanent resident (I-551C); or • The holder of an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any of the following designations: "Refugee," "Asylum Granted," "Parolee" (I-94 confirms paroled for a minimum of one year and status has not expired), or "Cuban-Haitian Entrant." <p><input type="checkbox"/> Neither citizen nor eligible noncitizen</p>																																								
<p>Your Alien Registration Number</p> <p>If you are an eligible noncitizen, enter your eight- or nine-digit Alien Registration Number.</p>	<table border="1"> <tr> <td>A</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>	A																																							
A																																									
<p>Your marital status as of today</p> <p>"As of today" refers to the day that you complete your FAFSA online.</p> <p>Month and year you were married, separated, divorced or widowed</p> <p>(Example: Month and year: 05/1995)</p> <p>Did you become a legal resident of your state before January 1, 2001?</p> <p>If "No," when did you become a legal resident of your state?</p> <p>(Example: Month and year: 05/1995)</p>	<p><input type="checkbox"/> Single, divorced, or widowed</p> <p><input type="checkbox"/> Married/remarried <input type="checkbox"/> Separated</p> <table border="1"> <tr> <td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td> </tr> </table> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <table border="1"> <tr> <td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td> </tr> </table>	M	M	Y	Y	Y	Y	M	M	Y	Y	Y	Y																												
M	M	Y	Y	Y	Y																																				
M	M	Y	Y	Y	Y																																				
<p>Most male students must register with the Selective Service System to get federal aid. If you are a male between the ages of 18 and 25 and NOT already registered with Selective Service, answer "Yes" and Selective Service will register you.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>																																								
<p>What degree or certificate will you be working on during 2006-2007?</p>	<table border="0"> <tr> <td><input type="checkbox"/> 1st bachelor's degree</td> <td><input type="checkbox"/> Certificate or diploma for completing an occupational, technical, or educational program of at least two years</td> </tr> <tr> <td><input type="checkbox"/> 2nd bachelor's degree</td> <td><input type="checkbox"/> Teaching credential—nondegree program</td> </tr> <tr> <td><input type="checkbox"/> Associate degree—occupational/technical program</td> <td><input type="checkbox"/> Graduate or professional degree program of less than two years</td> </tr> <tr> <td><input type="checkbox"/> Associate degree—general education or transfer program</td> <td><input type="checkbox"/> Other/Undecided</td> </tr> <tr> <td><input type="checkbox"/> Certificate or diploma for completing an occupational, technical, or educational program of less than two years</td> <td></td> </tr> </table>	<input type="checkbox"/> 1st bachelor's degree	<input type="checkbox"/> Certificate or diploma for completing an occupational, technical, or educational program of at least two years	<input type="checkbox"/> 2nd bachelor's degree	<input type="checkbox"/> Teaching credential—nondegree program	<input type="checkbox"/> Associate degree—occupational/technical program	<input type="checkbox"/> Graduate or professional degree program of less than two years	<input type="checkbox"/> Associate degree—general education or transfer program	<input type="checkbox"/> Other/Undecided	<input type="checkbox"/> Certificate or diploma for completing an occupational, technical, or educational program of less than two years																															
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<input type="checkbox"/> Certificate or diploma for completing an occupational, technical, or educational program of less than two years																																									
<p>What will be your grade level when you begin the 2006-2007 school year?</p>	<p><input type="checkbox"/> 1st year/never attended college</p> <p><input type="checkbox"/> 1st year/attended college before</p> <p><input type="checkbox"/> 2nd year/sophomore</p> <p><input type="checkbox"/> 3rd year/junior</p> <p><input type="checkbox"/> 4th year/senior</p> <p><input type="checkbox"/> 5th year/other undergraduate</p> <p><input type="checkbox"/> 1st year graduate/professional</p> <p><input type="checkbox"/> Continuing graduate/professional or beyond</p>																																								

SECTION 1 (CONTINUED) – STUDENT INFORMATION

Will you have your first bachelor's degree by July 1, 2006?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
In addition to grants, would you like to be considered for student loans, which you must pay back?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are you interested in work-study employment that is arranged or sponsored by the school you plan to attend?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Highest school your father completed Some states and schools offer aid based upon the level of schooling your parents have completed.	<input type="checkbox"/> Middle school/Jr. High <input type="checkbox"/> High school <input type="checkbox"/> College or beyond <input type="checkbox"/> Other/unknown	
Highest school your mother completed Some states and schools offer aid based upon the level of schooling your parents have completed.	<input type="checkbox"/> Middle school/Jr. High <input type="checkbox"/> High school <input type="checkbox"/> College or beyond <input type="checkbox"/> Other/unknown	
Have you ever been convicted of possessing or selling illegal drugs? A federal law suspends eligibility for some students with drug convictions. Answer "No" if you have no convictions. Also answer "No" if you have a conviction that was not a federal or state conviction. Do not count convictions that have been removed from your record, or that occurred before you turned 18 years old unless you were tried as an adult. If "Yes," you can complete an interactive worksheet when you complete the FAFSA online, or you can print a worksheet at www.fafsa.ed.gov/q31wksht67.pdf . Based on the worksheet questions, you will be able to answer whether you are eligible for federal aid when you complete your FAFSA online.	<input type="checkbox"/> Yes If you have a conviction for possessing or selling illegal drugs, you should submit your FAFSA anyway. You may be eligible for non-federal student aid from state or private sources. <input type="checkbox"/> No	

SECTION 2 – STUDENT STATUS

For federal student aid purposes, you must provide parent information if you answer "NO" to ALL of the following questions. If you answer "YES" to ANY of the following questions, you do not have to provide parent information.

Were you born before January 1, 1983?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
At the beginning of the 2006-2007 school year, will you be working on a master's or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
As of today, are you married? (Answer "Yes" if you are separated but not divorced.) "As of today" refers to the day that you complete your FAFSA online.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you have children who receive more than half of their support from you?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you have dependents other than your children/spouse who live with you and who receive more than half of their support from you, now and through June 30, 2007?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are (a) both of your parents deceased, or (b) are you (or were you until age 18) a ward/dependent of the court?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are you a veteran of the U.S. Armed Forces? Answer "No," you are not a veteran, if you (1) have never engaged in active duty in the U.S. Armed Forces, (2) are currently an ROTC student or a cadet or midshipman at a service academy, or (3) are a National Guard or Reserves enlistee activated only for training. Also answer "No" if you are currently serving in the U.S. Armed Forces and will continue to serve through June 30, 2007. Answer "Yes," you are a veteran, if you (1) have engaged in active duty in the U.S. Armed Forces (Army, Navy, Air Force, Marines, or Coast Guard) or are a National Guard or Reserves enlistee who was called to active duty for purposes other than training, or were a cadet or midshipman at one of the service academies, and (2) were released under a condition other than dishonorable. Also answer "Yes" if you are not a veteran now but will be by June 30, 2007.	<input type="checkbox"/> Yes	<input type="checkbox"/> No

SECTION 3 – STUDENT FINANCES

- Answer these questions as of the date you will submit your FAFSA.
- This section asks about your income and assets. Refer to your IRS tax return when necessary. (Note: Updated IRS tax form line numbers were not available at time of printing. To consult specific line numbers needed to answer the questions, visit www.studentaid.ed.gov/worksheet.)
- If you filed a foreign tax return, convert all figures to U.S. dollars, using the exchange rate. To view the daily exchange rates, go to www.federalreserve.gov/releases/h10/update.
- If you are married as of today, report your and your spouse's income and assets, even if you were not married in 2005. Ignore references to spouse if you are single, divorced, separated or widowed.

Have you completed a 2005 IRS income tax return or other income tax return?

- Already completed
 Will file
 Will not file

What income tax return did you file or will you file for 2005?

- IRS 1040
 IRS 1040A or 1040EZ
 A foreign tax return
 A tax return for a U.S. Territory or a Freely Associated State

If you filed or will file a 1040, were you eligible to file a 1040A or 1040EZ?

In general, you are eligible to file a 1040A or 1040EZ if you make less than \$100,000, do not itemize deductions, do not receive income from your business or farm, and do not receive alimony.

You are not eligible if you itemize deductions, receive self-employment income or alimony, or are required to file Schedule D for capital gains. If you filed a 1040 only to claim Hope or Lifetime Learning tax credits, and you would otherwise have been eligible for a 1040A or 1040EZ, you should answer "Yes."

- Yes
 No
 Don't know

If you are providing parent information, you will see several parent questions on the Web at this point. Then you will be asked the following questions.

What was your (and your spouse's) adjusted gross income for 2005?

Adjusted gross income is on your IRS tax return.

\$

What was your (and your spouse's), income tax for 2005?

Income tax amount is on your IRS tax return.

\$

Enter your (and your spouse's) exemptions for 2005.

Exemptions are on your IRS tax return.

How much did you (and your spouse) earn from working (wages, salaries, tips, combat pay, etc.) in 2005?

Answer this question whether or not you filed a tax return. This information may be on your W-2 forms or on your IRS tax return.

Student \$

Spouse \$

SECTION 4 – STUDENT HOUSEHOLD

- If you answered "NO" to ALL the questions in Section 2, skip this section and go to Section 5.
- If you answered "YES" to ANY question in Section 2, complete this section and then go to Section 6.

How many people are in your household?

Include in your household: (1) yourself (and your spouse, if you are married), (2) your children, if you will provide more than half of their support from July 1, 2006 through June 30, 2007, and (3) other people if they now live with you, you provide more than half of their support, and you will continue to provide more than half of their support from July 1, 2006 through June 30, 2007.

How many people in the question above will be college students in 2006-2007?

Always count yourself. Do not include your parents. Include others only if they will attend college at least half time in 2006-2007 in a program that leads to a college degree or certificate.

SECTION 5 – PARENT FINANCES

- If you answered “YES” to ANY question in Section 2, skip this section and go to Section 6.
- If you answered “NO” to all the questions in Section 2, you must complete this section even if you do not live with your parents. Refer to your parents’ IRS tax return when necessary. (Note: Updated IRS tax form line numbers were not available at time of printing. To consult specific line numbers needed to answer the questions, visit www.studentaid.ed.gov/worksheet.)
 - Answer these questions as of the date you will submit your FAFSA.
 - Grandparents, legal guardians, and foster parents are not considered parents for this section.
 - If both of your parents are living and married to each other, answer the questions about them.
 - If your parent is widowed or single, answer the questions about that parent. If your widowed parent is remarried as of today, answer the questions about that parent and the person to whom your parent is married (your stepparent).
 - If your parents are divorced or separated, answer the questions about the parent you lived with more during the past 12 months. If you did not live with one parent more than the other, give answers about the parent who provided more financial support during the past 12 months, or during the most recent year that you actually received support from a parent. If this parent is remarried as of today, answer the questions about that parent and the person to whom your parent is married (your stepparent).

What is your parents’ marital status as of today?

“As of today” refers to the day that you submit your FAFSA online.

- Married/remarried
- Single
- Divorced/separated
- Widowed

Month and year your parents were married, separated, divorced, or widowed

(Example: Month and year: 05/1995)

M	M	Y	Y	Y	Y
---	---	---	---	---	---

Have your parents completed a 2005 IRS income tax return or other income tax return?

- Already completed
- Will file
- Will not file

What income tax return did your parents file or will they file for 2005?

- IRS 1040
- IRS 1040A, 1040EZ
- A foreign tax return
- A tax return for a U.S. Territory or a Freely Associated State

If your parents have filed or will file a 1040, were they eligible to file a 1040A or 1040EZ?

In general, a person is eligible to file a 1040A or 1040EZ if he or she makes less than \$100,000, does not itemize deductions, does not receive income from his or her business or farm, and does not receive alimony. You are not eligible if you itemize deductions, receive self-employment income or alimony, or are required to file Schedule D for capital gains. If you filed a 1040 only to claim Hope or Lifetime Learning tax credits, and would have otherwise been eligible for a 1040A or 1040EZ, you should answer “Yes.”

- Yes
- No
- Don’t know

What was your parents’ adjusted gross income for 2005?

Adjusted gross income is on their IRS tax return.

\$

How much did your parents earn from working (wages, salaries, tips, combat pay etc.) in 2005? Answer this question whether or not your parents filed a tax return.

This information may be on their W-2 forms, or on their IRS tax return.

Father/Stepfather \$

Mother/Stepmother \$

SECTION 6 – STUDENT FAFSA WORKSHEETS A, B AND C

Complete the Worksheets on page 8 to answer the questions below.

Your amount from FAFSA Worksheet A

\$

Your amount from FAFSA Worksheet B

\$

Your amount from FAFSA Worksheet C

\$

SECTION 6 (CONTINUED) – STUDENT ASSETS AND VETERANS’ BENEFITS

- Answer these questions as of the date you will submit your FAFSA.
- Investments include real estate (do not include the home you live in), trust funds, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, Coverdell savings accounts, college savings plans, installment and land sale contracts (including mortgages held), commodities, etc. Investment value includes the market value of these investments as of today. Investment debt means only those debts that are related to the investments.
- Investments do not include the home you live in; the value of life insurance, retirement plans (pension funds, annuities, noneducation IRAs, Keogh plans, etc.), and prepaid tuition plans; or cash, savings, and checking accounts.
- Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, etc. Business and/or investment farm debt means only those debts for which the business or investment farm was used as collateral.

As of today, what is your (and your spouse’s) total current balance of cash, savings and checking accounts?

As of today, what is the net worth of your (and your spouse’s) investments, including real estate (not your home)? Net worth means current value minus debt.

As of today, what is the net worth of your (and your spouse’s) business and/or investment farms?

Do not include a farm that a student lives on and operates. Net worth means current value minus debt.

If you receive veterans’ education benefits, for how many months from July 1, 2006 through June 30, 2007 will you receive these benefits? Use 01 to 12.

What is the amount of your monthly veterans’ education benefits?

SECTION 7 – PARENT INFORMATION

- If you answered “NO” to ALL the questions in Section 2, complete this section and then go to Section 8.
- If you answered “YES” to ANY of the questions in Section 2, skip this section and go on to Section 8.

What is your parents’ e-mail address? (optional)

What is your father’s (or stepfather’s) Social Security Number?

What is your father’s (or stepfather’s) last name?

What is your father’s (or stepfather’s) date of birth?

(Example: Month, day and year: 05/07/1959)

M	M	D	D	Y	Y	Y	Y
---	---	---	---	---	---	---	---

What is your mother’s (or stepmother’s) Social Security Number?

What is your mother’s (or stepmother’s) last name?

What is your mother’s (or stepmother’s) date of birth?

(Example: Month, day and year: 05/07/1959)

M	M	D	D	Y	Y	Y	Y
---	---	---	---	---	---	---	---

How many people are in your parents’ household?

Include in your parents’ household: (1) your parents and yourself, even if you don’t live with your parents, (2) your parents’ other children if (a) your parents will provide more than half of their support from July 1, 2006 through June 30, 2007, or (b) the children could answer “No” to every question in Section 2 of this worksheet, and (3) include other people only if they live with your parents, your parents provide more than half of their support, and your parents will continue to provide more than half of their support from July 1, 2006 through June 30, 2007.

How many people in the question above will be college students in 2006-2007?

Always count yourself. Do not include your parents. Include others only if they will attend college at least half time in 2006-2007 in a program that leads to a college degree or certificate.

SECTION 7 (CONTINUED) – PARENT INFORMATION

What is your parents' state of legal residence?

Did your parents become legal residents of the state before January 1, 2001?

Yes No

If "No," give month and year legal residency began for the parent who has lived in the state the longest. (Example: Month and year: 05/1995)

M	M	Y	Y	Y	Y
---	---	---	---	---	---

What was the amount your parents paid in income tax for 2005?

Income tax amount is on their IRS tax return.

\$

Enter your parents' exemptions for 2005.

Exemptions are on their IRS tax return.

Parent FAFSA Worksheets A, B and C. Complete the Worksheets on page 8 to answer the questions below.

Your parents' amount from FAFSA Worksheet A

\$

Your parents' amount from FAFSA Worksheet B

\$

Your parents' amount from FAFSA Worksheet C

\$

Parent Asset Information (See instructions on reporting assets, top of page 6)

As of today, what is your parents' total current balance in cash, savings, and checking accounts?

\$

As of today, what is the net worth of your parents' investments, including real estate (not their home)? Net worth means current value minus debt.

\$

As of today, what is the net worth of your parents' business and/or investment farms? Do not include a farm that your parents live on and operate.

Net worth means current value minus debt.

\$

SECTION 8 – SCHOOLS TO RECEIVE INFORMATION

Federal School Codes

If you do not know the school code, write the school's name. You will have a chance online to search for the school code.

1st school code	2nd school code	3rd school code	4th school code	5th school code	6th school code

For each school code, indicate the corresponding housing plan.

1st school code	2nd school code	3rd school code	4th school code	5th school code	6th school code
<input type="checkbox"/> on campus <input type="checkbox"/> off campus <input type="checkbox"/> with parent	<input type="checkbox"/> on campus <input type="checkbox"/> off campus <input type="checkbox"/> with parent	<input type="checkbox"/> on campus <input type="checkbox"/> off campus <input type="checkbox"/> with parent	<input type="checkbox"/> on campus <input type="checkbox"/> off campus <input type="checkbox"/> with parent	<input type="checkbox"/> on campus <input type="checkbox"/> off campus <input type="checkbox"/> with parent	<input type="checkbox"/> on campus <input type="checkbox"/> off campus <input type="checkbox"/> with parent

For the 2006-2007 academic year, please report your expected enrollment status

(Enrollment definitions refer to undergraduate study).

- Full time—at least 12 credit hours in a term or 24 clock hours per week
- 3/4 time—at least 9 credit hours in a term or 18 clock hours per week
- Half time—at least 6 credit hours in a term or 12 clock hours per week
- Less than half time--fewer than 6 credit hours in a term or less than 12 clock hours per week
- Not sure

Go to www.fafsa.ed.gov and enter the information from this Worksheet.

Remember to apply for a PIN at www.pin.ed.gov.

Additional help is available online or you can call 1-800-4-FED-AID. TTY users may call 1-800-730-8913.

Visit www.studentaid.ed.gov for more information on federal student aid.

Talk with your school's financial aid office about other types of aid.

DO NOT MAIL THIS WORKSHEET.

FAFSA WORKSHEETS - CALENDAR YEAR 2005

These worksheets are solely for completing the FAFSA Worksheet questions, on page 5 for the student and, on page 7 for the student's parents.

FAFSA Worksheet A—Report Annual Amounts

Student/Spouse For Page 5	Parents For Page 7
\$ <input type="text"/> Earned income credit from the IRS tax return	\$ <input type="text"/>
\$ <input type="text"/> Additional child tax credit from the IRS tax return	\$ <input type="text"/>
\$ <input type="text"/> Welfare benefits, including Temporary Assistance for Needy Families (TANF). Do not include food stamps or subsidized housing.	\$ <input type="text"/>
\$ <input type="text"/> Social Security benefits received, for all household members as reported in student's household size (or parents' household size), that were not taxed (such as SSI). Report benefits paid to parents in the parents' column, and benefits paid directly to student in the student/spouse column.	\$ <input type="text"/>
\$ <input type="text"/> Enter in Worksheet A question on Page 5.	\$ <input type="text"/> Enter in Worksheet A question on Page 7.

FAFSA Worksheet B—Report Annual Amounts

Student/Spouse For Page 5	Parents For Page 7
\$ <input type="text"/> Payments to tax-deferred pension and savings plans (paid directly or withheld from earnings), including, but not limited to, amounts reported on the W-2 Form in Boxes 12a through 12d, codes D, E, F, G, H, and S.	\$ <input type="text"/>
\$ <input type="text"/> IRA deductions and payments to self-employed SEP, SIMPLE, and Keogh and other qualified plans from the IRS tax return	\$ <input type="text"/>
\$ <input type="text"/> Child support you received for all children. Don't include foster care or adoption payments.	\$ <input type="text"/>
\$ <input type="text"/> Tax exempt interest income from the IRS tax return	\$ <input type="text"/>
\$ <input type="text"/> Foreign income exclusion from IRS Form 2555—line 43 or 2555EZ—line 18	\$ <input type="text"/>
\$ <input type="text"/> Untaxed portions of IRA distributions from the IRS tax return. Exclude rollovers. If negative, enter a zero here.	\$ <input type="text"/>
\$ <input type="text"/> Untaxed portions of pensions from the IRS tax return. Exclude rollovers. If negative, enter a zero here.	\$ <input type="text"/>
\$ <input type="text"/> Credit for federal tax on special fuels from IRS Form 4136—line 15—nonfarmers only	\$ <input type="text"/>
\$ <input type="text"/> Housing, food, and other living allowances paid to members of the military, clergy, and others (including cash payments and cash value of benefits)	\$ <input type="text"/>
\$ <input type="text"/> Veterans' noneducation benefits such as Disability, Death Pension, or Dependency & Indemnity Compensation (DIC), and/or VA Educational Work-Study allowances	\$ <input type="text"/>
\$ <input type="text"/> Other untaxed income or benefits not reported elsewhere on Worksheets A and B, such as workers' compensation, untaxed portions of railroad retirement benefits, Black Lung Benefits, disability, combat pay not reported on tax returns, etc. Don't include student aid, Workforce Investment Act educational benefits, non-tax filers' combat pay, or benefits from flexible spending arrangements, e.g., cafeteria plans	\$ <input type="text"/>
\$ <input type="text"/> Money received, or paid on your behalf (e.g., bills), not reported elsewhere on this form	XXXXXXXXXX
\$ <input type="text"/> Enter in Worksheet B question on Page 5.	\$ <input type="text"/> Enter in Worksheet B question on Page 7.

FAFSA Worksheet C—Report Annual Amounts

Student/Spouse For Page 5	Parents For Page 7
\$ <input type="text"/> Education credits (Hope and Lifetime Learning tax credits) from the IRS tax return	\$ <input type="text"/>
\$ <input type="text"/> Child support you paid because of divorce or separation or as a result of a legal requirement. Don't include support for children in your (or your parents') household.	\$ <input type="text"/>
\$ <input type="text"/> Taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships.	\$ <input type="text"/>
\$ <input type="text"/> Student grant and scholarship aid reported to the IRS in your (or your parents') adjusted gross income. Includes AmeriCorps benefits (awards, living allowances, and interest accrual payments), as well as grant or scholarship portions of fellowships and assistantships.	\$ <input type="text"/>
\$ <input type="text"/> Enter in Worksheet C question on Page 5.	\$ <input type="text"/> Enter in Worksheet C question on Page 7.

ABBREVIATIONS

AFROTC: Air Force Reserve Officer Training Corps

CPS: Central Processing System

DHS: U.S. Department of Homeland Security

DRN: Data Release Number

ED: U.S. Department of Education

EFC: Expected Family Contribution

FAA: financial aid administrator

FAFSA: *Free Application for Federal Student Aid*

FFEL: Federal Family Education Loan

FSAIC: Federal Student Aid Information Center

FSAPubs: Federal Student Aid Publications
Ordering System

FSEOG: Federal Supplemental Educational
Opportunity Grant

FTC: Federal Trade Commission

FWS: Federal Work-Study

GAO: U.S. Government Accountability Office

GEAR UP: Gaining Early Awareness and Readiness for
Undergraduate Programs

GED: General Education Development [certificate]

HHS: U.S. Department of Health and Human Services

IADT: Initial Active Duty for Training

IRS: Internal Revenue Service

ISIR: *Institutional Student Information Record*

LEAP: Leveraging Educational Assistance Partnership

NROTC: Naval Reserve Officers Training Corps

NSLDS: National Student Loan Data System

PIN: Personal Identification Number

PSAT/NMSQT: Preliminary SAT/National Merit
Scholarship Qualifying Test

ROTC: Army Reserve Officer Training Corps

SAP: satisfactory academic progress

SAR: *Student Aid Report*

SSA: Social Security Administration

SSN: Social Security number

TTY: teletype

VA: U.S. Department of Veterans Affairs

WIA: Workforce Investment Act



START HERE 
GO FURTHER 
FEDERAL STUDENT AID