IOWA COLLEGE STUDENT AID COMMISSION

IowaCollegeAid.gov
Because College Changes Everything

Our Mission
We advocate for and help Iowa students and families as they explore, finance and complete educational opportunities beyond high school.

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HOW TO APPLY FOR
FINANCIAL AID
A GUIDE FOR STUDENTS

IOWA COLLEGE STUDENT AID COMMISSION

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How to Obtain State and Federal Aid

Paying for college doesn't have to be financially overwhelming. There are several types of aid, including federal, state and institutional grants; scholarships from numerous sources; college savings plans; student and parent loans; and student employment options available to help you pay for college. In fact, most students attending Iowa colleges and universities receive some form of financial assistance. To be considered for most financial aid programs, you must complete the Free Application for Federal Student Aid (FAFSA).

Applying for admission is not the same as applying for financial aid - you need to do both. To receive financial aid, it is necessary to file a completed FAFSA and submit an admissions application to the colleges and universities that interest you most. Follow the steps in this brochure to be considered for funds from the state of Iowa, the federal government and the colleges or universities of your choice.

FAFSA Deadlines

Some aid is available on a first-come, first-served basis. Check with your college or university to determine specific priority deadlines for that institution. Your completed FAFSA should be submitted as soon after January 1 as possible. March 1 is the priority deadline for many grants funded by the state of Iowa. The FAFSA must be received at the processing center by the specified deadlines to be given priority status.

To aviod missing deadlines:
- Verify your FAFSA information before you hit "Submit my FAFSA now."
- Submit using estimated financial data if you and/or your parents have not yet filed taxes.
- Print your confirmation page.
- Regularly check the email you provided on the FAFSA and respond to requests from Federal Student Aid.

IRS Data Retrieval Tool

The IRS Data Retrieval Tool allows FAFSA applicants who have already filed their federal income tax returns to prefill the answers to some of the FAFSA questions by transferring data from their federal income tax return. Eligible applicants who have a valid Social Security Number and Federal Student Aid ID can use the tool to file an initial or renewal FAFSA. Those who choose to use the tool will be temporarily transferred to the IRS website, where they will be required to answer authentication questions before viewing the data to be transferred to the FAFSA. Not only can this save time in completing the FAFSA, it may also reduce the likelihood that your FAFSA will be selected for verification.

For more information on the IRS Data Retrieval Tool, go to www.fafsa.gov/help/irshlp9.htm.

Step 1: Complete the FAFSA

Complete the FAFSA online, typically in under an hour, at www.fafsa.gov. Help features and built-in edits reduce applicant error and it can be processed faster.

To file a paper application through regular mail, you may request a form by calling 1-800-4-FEDAID, or visiting www.fafsa.gov/options.htm.

FSA ID
The FSA PIN has been replaced with a new Federal Student Aid (FSA) ID comprised of a username and password. You and your parents (if you are dependent*) should apply for separate FSA IDs. You can apply for a FSA ID as part of the online FAFSA process, or prior to beginning the FAFSA by visiting https://fsaid.ed.gov. FSA IDs serve as electronic signatures for the FAFSA as well as other federal student aid applications and systems and should be kept safe. If you have a prior FSA PIN, you can link it to your new FSA ID.

IRS Data Retrieval Tool
Filers have the ability to import their tax information directly from the IRS using the IRS Data Retrieval Tool. Data is typically available three weeks after electronically filing taxes or eight weeks after filing a paper tax return. FAFSA questions that are populated with tax information from the tool will be marked "Transferred from the IRS."

Information Needed for the FAFSA
Gather the following for yourself, your spouse (if married) and your parents (if dependent*):

- Your driver's license number
- Your alien registration number (if not a U.S. citizen)
- Social Security number (not required for student's spouse)
- The most recent federal tax return, W-2s and records of earnings (you may be able to transfer your federal tax return information into your FAFSA using the IRS data retrieval tool)
- Records of untaxed income
- The most recent bank and investment statements

Step 2: Your Student Aid Report

After submitting your completed FAFSA, the U.S. Department of Education will process the data and compile your Student Aid Report (SAR). The SAR will be sent to you and the colleges you selected when you filed your FAFSA. If you provide a valid email address, you will receive an email with instructions on how to access an online copy of your SAR, otherwise it will be mailed to you. Typically, you will be able to access your SAR within 3-5 days if you filed your FAFSA electronically and signed using your FSA ID.

Read your SAR carefully and follow any instructions, especially if errors need to be corrected.

The Expected Family Contribution (EFC)
Your SAR contains a key figure called the Expected Family Contribution (EFC). The EFC will be used to determine the types of financial aid you are eligible to receive for the academic year.

Variables that determine your EFC include: income and net worth for you and your parents, family size, age of older parent, state and federal taxes and number of family members attending college. An easy online calculation to estimate your EFC is available at www.fafsa4caster.ed.gov (the estimate is unofficial).

Students must file a new FAFSA each year. Changes in family finances and other variables will be reflected in the EFC annually.

Determining Your Financial Need
The following formula determines financial need:
Cost of Attendance (COA) - EFC = Financial Need.
The Cost of Attendance is the total of tuition, fees, books and living expenses as determined by your college or university. Your EFC is determined by the information you included on your FAFSA, and the same EFC figure is sent to your selected colleges and universities. The difference between the two is your financial need for the year at that particular institution.

Step 3: The Award Process

State and Institutional Financial Aid
If you have been accepted for admission, each college listed on your FAFSA will send an electronic or paper award letter describing the financial aid package it can offer. This will include state, federal and institutional aid for which you qualify.

Evaluating Aid Offers
It is important to thoroughly compare the figures from all colleges and universities. Be sure you understand all terms and conditions so you can decide if you want to accept any or all of the aid offered. The largest financial package is not always the best – it may have the largest gap between your cost of attendance and the financial aid offered.

When reviewing aid packages, consider how much assistance is from scholarships or grants (which do not have to be repaid) and how much is loan support (which must be repaid). Note that scholarship and grant terms may vary – some renew automatically from year to year, some renew under certain conditions (i.e. maintaining a required grade point average) and others are one-time awards.

Look beyond the expenses to assess the type of campus environment and college experience you are seeking. There are a variety of student and parent loans available to meet the educational costs at the college of your choice. However, it is important to select a college where your loan debt can be kept at a reasonable level relative to your future income potential.

Dependency Status:
* You are considered dependent unless you can answer yes to one of 13 questions in Step 3 of the FAFSA. Review those questions at https://fafsa.ed.gov/help and select "Before You Begin" to determine your dependency status and be prepared with required information before completing the FAFSA.

Step 4: Accept & Finalize Your Award

As you analyze your financial aid packages, note the specified deadlines for your response. To accept the financial aid package offered, follow all instructions. You may need to supply additional information to college or university officials.

For the majority of students, scholarships and grants will not cover all college costs. Most students pay college expenses through various resources, including student loans. As you and your family budget for the expenses you will face as a student, you may wish to consider the government's low-cost loans available to both students and parents. Federal Stafford Loans (for students) and PLUS Loans (for parents and graduate students) continue to be offered at reasonable interest rates. Investing in your future is a wise decision, as long as you borrow sensibly. More student loan information can be obtained at www.IowaCollegeAid.gov, or by calling 877-272-4456 to request a complimentary copy of *Student Loans - a Guide for Students and Parents*.

State of Iowa Financial Aid Application
The Iowa Financial Aid Application allows you to apply for multiple state-administered aid programs with one application. It is available on January 1st of every year and can be accessed by clicking the application button at www.IowaCollegeAid.gov.

Students who receive Iowa-funded grants and scholarships must be Iowa residents and attend an Iowa college or university. Be sure to apply early as to not miss application deadlines! To take advantage of state programs, this application must be completed in addition to the FAFSA.

IOWA APPLY NOW
Financial Aid Application