

Understanding the FAFSA

Why the FAFSA Is Important

You have probably been told that filling out a FAFSA is very important, but you may be wondering why it's such a big deal.

Here you'll find information about why the FAFSA is so important, and how the information you provide is used.

Why the FAFSA is Needed

There is a great deal of money available to help students pay for college. The federal government provides billions of dollars in financial aid, and colleges and organizations also have large sums of money set aside for students who need help paying for college.

But how do colleges, the federal government, and others know which students really need help paying for college?

This is where the FAFSA comes in. The FAFSA is the application that provides an estimation of how much a family could pay for college the following year. The federal government, colleges, and others need this information to help them calculate who is eligible for financial aid (grants, work-study, loans).

If you don't fill out a FAFSA, no one will have the information they need—which means that there's a lot of financial aid money you won't have access to!

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10 Reasons to Fill Out the FAFSA

Here are ten excellent reasons you should fill out the FAFSA, even if you don't think you will qualify for financial aid.

Why You Should Fill Out a FAFSA

1. You can get "free" money

When you submit a FAFSA, you automatically apply for federal grants, such as the Pell Grant and FSEOG. To be eligible to receive free government money for college (money you don't have to pay back), you must complete a FAFSA.

2. Almost everyone qualifies

Many students don't fill out the FAFSA because they think they won't qualify for aid. The truth is that almost every student is eligible for some type of aid, whether it's grants, loans, or both.

3. It's free and fast

The FAFSA is free to fill out, and it takes less than 30 minutes to complete if you have everything ready when you begin.

4. The FAFSA may be required

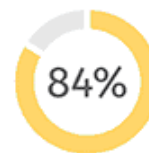
Students who are applying for scholarships are often required to complete a FAFSA. Many schools want documentation showing that a student isn't eligible for need-based aid before they award their merit-based aid (scholarships).

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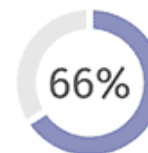
Federal Aid by the Numbers

Filling out the FAFSA can help you get access to thousands of dollars in financial aid. Here are some key statistics about federal financial aid.

Receiving financial aid is common.



84% of first-year students receive financial aid.



66% of students apply for federal aid using the FAFSA.

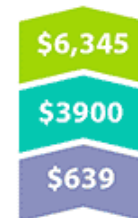
Grants are the most common form of federal financial aid.



43% of students are awarded federal grants.



The average federal grant amount awarded to each student is **\$5,179/year**.



Pell grants are available for income-eligible students. They range from around **\$600 to \$6000**.

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Types of Federal Aid

Federal financial aid provides over \$100 billion in grants, work-study, and loans each year to help students pay for their education. This aid makes college possible for millions of students!

How can you have access to federal financial aid? *You fill out a FAFSA!*

The Types of Federal Aid

Grants

Grants are funds given to students, usually because of financial need. Grants are free money—they do not have to be paid back.

The Pell Grant and the Federal Supplemental Educational Opportunity Grant (FSEOG) provide billions of dollars each year to income-eligible families. When students and parents submit a FAFSA, they automatically apply for these grants. The FAFSA also serves as the application for grants provided by individual states and colleges.

Work-Study

Work-study programs provide students who have financial need with part-time jobs to help fund their education.

Work-study jobs can be either on- or off-campus. They usually have flexible hours so that students can schedule their work around their classes. Most students work 10–15 hours a week until they have earned the amount stipulated in their award letter.

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The FAFSA Application Process

Students and families often find the thought of completing the FAFSA overwhelming and intimidating, but it doesn't have to be.

By following these simple steps, you can complete the FAFSA quickly and easily, and be on your way to achieving your college goals.

Steps for Filling out the FAFSA

Step 1: Gather your materials

To complete the FAFSA, you and your parents will need the following: social security or alien registration number; driver's license (if you have one); federal income tax returns, W-2s, and other financial records; bank statements; records of any untaxed income; and your list of colleges.

Step 2: Create an FSA ID

Your FSA ID is a username and password combination that is unique to you. You will use your FSA ID every time you log in to complete or edit the FAFSA. Visit studentaid.gov/fsa-id to create your FSA ID. If you are filing as a dependent, at least one parent will also need an FSA ID.

Step 3: Complete the application

The FAFSA opens on October 1 for the following school year. Using the materials you've gathered, complete all sections of the application. There are separate sections for you and your parents. Be sure to save your work if you cannot finish in one sitting.

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After You Complete the FAFSA

So you've submitted your FAFSA. Great job! You now may be eligible to receive thousands of dollars to help you pay for your college education. *What happens next?*

Filling out the FAFSA is the hardest part, but it's not the last step. Here's what will happen after you submit your FAFSA.

What to Expect

Confirmation

When you submit your FAFSA, you should receive a confirmation email that indicates your application was received and is being processed. Electronic applications are processed within 3–5 days. Paper applications are processed within 7–10 days. Make note of your confirmation number and/or print it out for your records. *If you did not receive a confirmation number, visit studentaid.gov for assistance.*

Student Aid Report (SAR)

Once your application is processed, you will receive a Student Aid Report, or SAR. Your SAR is a summary of all the information you provided on your application. It's important to review your SAR carefully to make sure everything is correct. If anything is wrong or missing (even something as small as a misplaced decimal point), your aid could be delayed or not go through at all.