

The background of the slide is a photograph of a modern building with large glass windows. The windows reflect the surrounding environment, which includes trees with vibrant autumn foliage in shades of yellow, orange, and green. The building's structure features dark, cylindrical columns and a grid of window frames. The overall scene is bright and clear, suggesting a sunny day.

# Financial Aid 101



OFFICE OF  
FINANCIAL AID  
UNIVERSITY OF MICHIGAN

# Discussion Topics

- **What is Financial Aid?**
- **Types of Financial Aid**
- **College costs and Cost of Attendance**
- **Financial Aid Eligibility**
- **Applying for financial aid at U-M**
- **Planning Tools**
- **Next Steps**
- **Tips for Students and Families**



# What is Financial Aid?



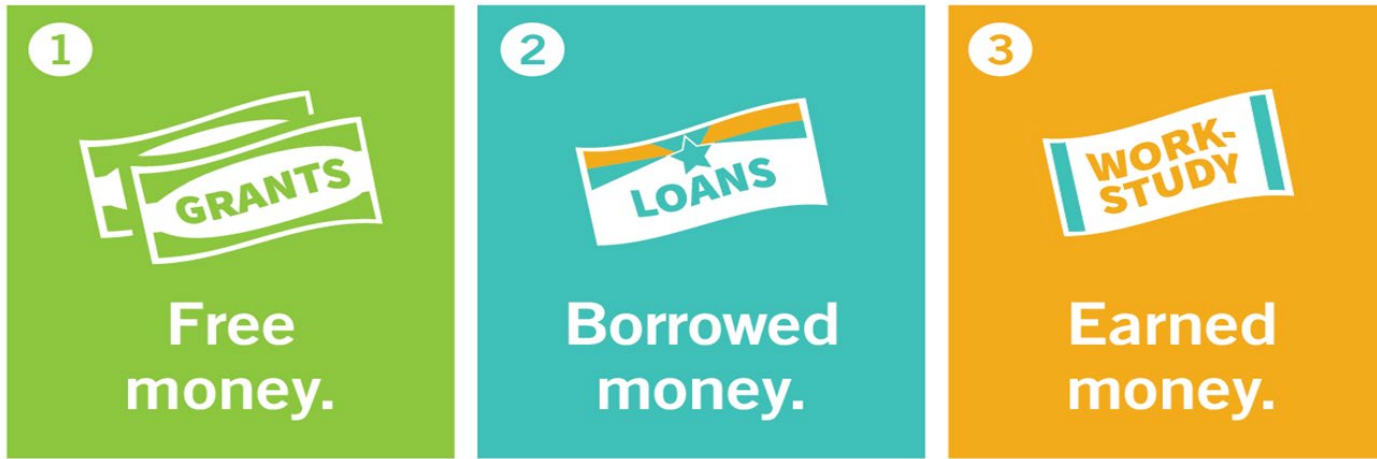
**Financial Aid is  
money used to pay  
for college**

# What is Financial Aid?

## Financial is IS NOT

- Credit cards
- Shopping
- Buying a car
- Partying
- Spring break/vacation

# Types of Financial Aid



**Grants**, some **scholarships**, **work-study** and a **subsidized federal loan** are need-based.

An **un-subsidized loan** is NOT need-based, and students can receive one as long as there is a financial need and the FAFSA has been completed.

# Types of Financial Aid

## Free money

- **Scholarships**
  - Earned in some way: grades, skills, service, etc.
  - Awarded by a variety of organizations
  - May, or may not, require FAFSA and/or other applications

# Types of Financial Aid

## Understand your scholarship

- **One-time vs. renewable**
  - If renewable, are there requirements?
  - GPA
  - Major specific
  - Full-time
- **Tuition-specific scholarship**
- **What's the value of the scholarship?**
  - Full ride vs. partial (will you have remaining costs?)

# Types of Financial Aid

## Watch for Scholarship scams

- Scholarships with application fee
- No contact telephone number
- Unsolicited scholarship opportunity
- Hype or pressure to participate
- Scholarship services that guarantee success
- Social Security number, checking/savings account info requested

## More information:

- [studentaid.gov/resources/scams](https://studentaid.gov/resources/scams)



# Types of Financial Aid

## Free Money

- **Grants**
  - Need-based
  - Must complete FAFSA to apply
  - May need to complete other applications such as CSS Profile or other institutional forms

# Types of Financial Aid

## Go Blue Guarantee

- Free U-M tuition for four years
- Must qualify for in-state tuition and be earning first bachelor's degree
- Family income of \$65,000 or less and assets below \$50,000
- Must apply and be eligible for financial aid
- More information: [goblueguarantee.umich.edu/ann-arbor](https://goblueguarantee.umich.edu/ann-arbor)
- Eligibility: [finaid.umich.edu/go-blue-guarantee-eligibility](https://finaid.umich.edu/go-blue-guarantee-eligibility)



**GO BLUE GUARANTEE**

FREE TUITION	TUITION SUPPORT
FOR FAMILIES WITH INCOMES \$65,000 & UNDER <small>ASSETS BELOW \$50,000</small>	FOR SOME FAMILIES EARNING MORE

FOUR YEARS FOR QUALIFYING IN-STATE STUDENTS  
ANN ARBOR | DEARBORN | FLINT

# Types of Financial Aid



## Earned money: Work-Study

- Get paid for your work
- Receive bi-weekly paychecks
- Have flexible work schedules
- Consider on- or off-campus opportunities
- Students not awarded Work-Study with their financial aid notice may apply for other jobs on- and off-campus

# Types of Financial Aid

## Borrowed money: Loans

- Borrow only what is REALLY needed
- Repayment begins after graduation
- Federal Loans from the FAFSA
  - **Subsidized Direct Loans:** student is borrower, interest does not accrue until repayment
  - **Unsubsidized Direct Loans:** student is borrower, interest accrues day 1



# College costs and Cost of Attendance

## Direct Costs

- Paid DIRECTLY to the university (billed twice per year):
  - Tuition & fees
  - Housing & meals

## Indirect Costs

- Paid to others and can include:
  - Books & supplies
  - Personal & miscellaneous items
  - Transportation

# College costs and Cost of Attendance

## U-M Cost of Attendance

	In-State	Out-of-State
Tuition & Fees	\$ 16,178.38	\$ 53,232.38
Housing and Meals	\$ 12,592.00	\$ 12,592.00
Books & Supplies	\$ 1,048.00	\$ 1,048.00
Personal/Misc.	\$ 2,454.00	\$ 2,454.00
<b>TOTAL</b>	* \$ 32,272.38	* \$ 69,326.38

\* This is the maximum amount of financial aid you can receive.



# Financial Aid Eligibility

## Expected Family Contribution

- Calculated using a federal formula with information from the FAFSA
- Parent contribution and student contribution
- Amount a family can reasonably expect to contribute
- The same at every institution

# Financial Aid Eligibility

## Calculating Financial Need

Cost of Attendance (Budget)	\$26,000
Expected Family Contribution (EFC)	- \$ 4,000
Other Aid or Resources (such as private scholarships)	- \$ 0
<b>Your Need for Aid</b>	<b>= \$22,000</b>



A photograph of a modern building with large glass windows reflecting autumn trees. The building has a curved glass facade and several large, dark cylindrical columns. The reflection in the glass shows a park with trees in vibrant autumn colors (yellows, oranges, and reds) under a clear blue sky. The overall scene is bright and sunny.

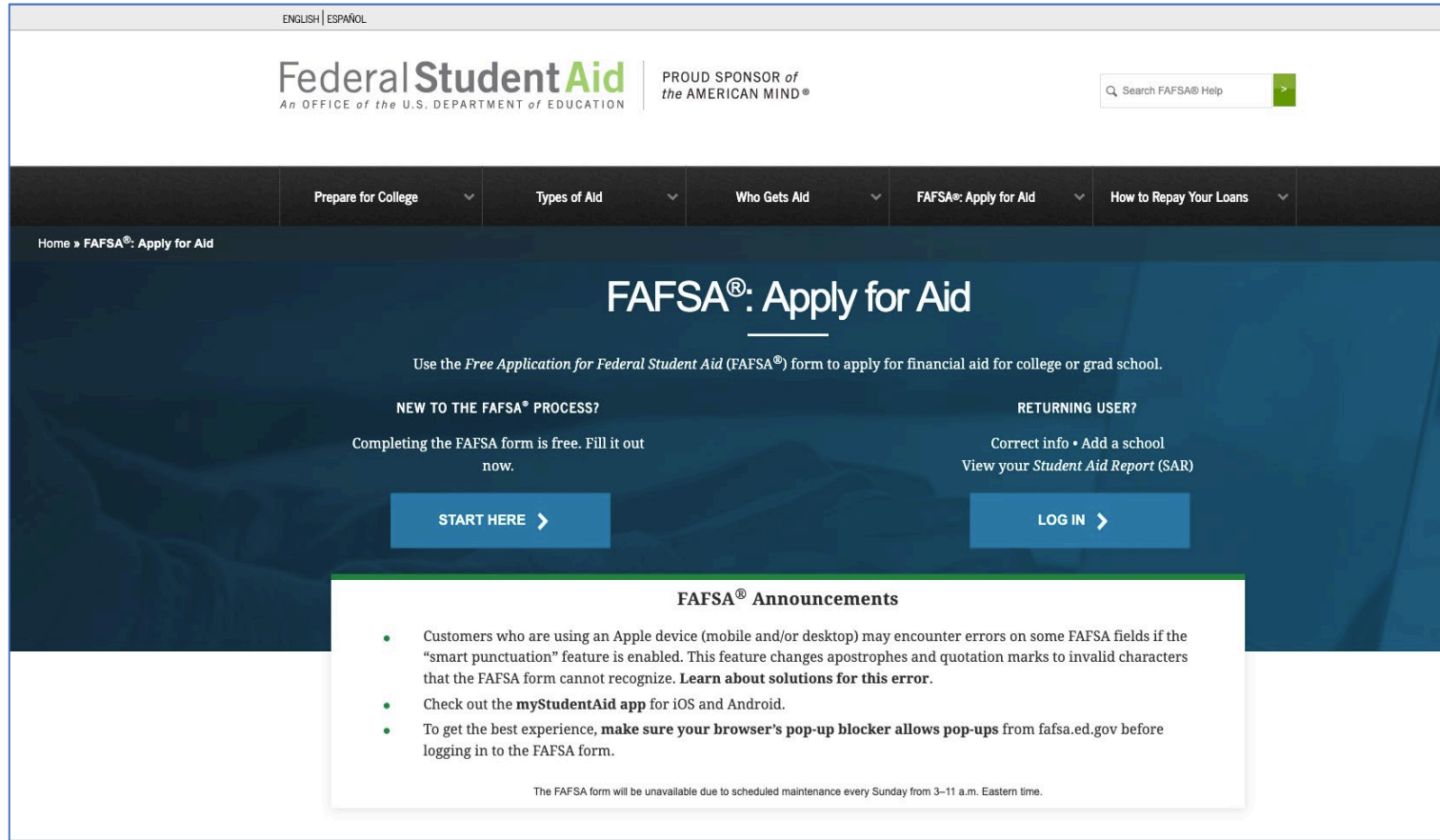
# Applying for Financial Aid



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# Completing the FAFSA: Where



The screenshot shows the FAFSA website homepage. At the top, there's a navigation bar with 'ENGLISH | ESPAÑOL' on the left, the 'Federal Student Aid' logo in the center, and 'PROUD SPONSOR of the AMERICAN MIND®' on the right. A search bar is also present. Below the navigation bar is a dark blue banner with the text 'FAFSA®: Apply for Aid'. Underneath the banner, there are two main sections: 'NEW TO THE FAFSA® PROCESS?' and 'RETURNING USER?'. The 'NEW TO THE FAFSA® PROCESS?' section includes the text 'Completing the FAFSA form is free. Fill it out now.' and a 'START HERE >' button. The 'RETURNING USER?' section includes the text 'Correct info • Add a school' and 'View your Student Aid Report (SAR)' with a 'LOG IN >' button. At the bottom, there's a 'FAFSA® Announcements' section with three bullet points: 1. Customers using Apple devices may encounter errors if 'smart punctuation' is enabled. 2. Check out the myStudentAid app for iOS and Android. 3. Make sure your browser's pop-up blocker allows pop-ups from fafsa.ed.gov. A footer note states that the FAFSA form will be unavailable on Sundays from 3-11 a.m. Eastern time.

ENGLISH | ESPAÑOL

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Search FAFSA® Help

Prepare for College ▾ Types of Aid ▾ Who Gets Aid ▾ FAFSA®: Apply for Aid ▾ How to Repay Your Loans ▾

Home » FAFSA®: Apply for Aid

## FAFSA®: Apply for Aid

Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or grad school.

**NEW TO THE FAFSA® PROCESS?**

Completing the FAFSA form is free. Fill it out now.

**START HERE >**

**RETURNING USER?**

Correct info • Add a school  
View your *Student Aid Report* (SAR)

**LOG IN >**

### FAFSA® Announcements

- Customers who are using an Apple device (mobile and/or desktop) may encounter errors on some FAFSA fields if the "smart punctuation" feature is enabled. This feature changes apostrophes and quotation marks to invalid characters that the FAFSA form cannot recognize. [Learn about solutions for this error.](#)
- Check out the **myStudentAid app** for iOS and Android.
- To get the best experience, **make sure your browser's pop-up blocker allows pop-ups** from fafsa.ed.gov before logging in to the FAFSA form.

The FAFSA form will be unavailable due to scheduled maintenance every Sunday from 3–11 a.m. Eastern time.

## Complete the FAFSA

- It's free, easy, fast, and more people qualify for student aid than you think.

# Completing the FAFSA: When

## Two Applications:

- FAFSA: [studentaid.gov/h/apply-for-aid/fafsa](https://studentaid.gov/h/apply-for-aid/fafsa)
  - Free application or fee waiver request
  - State, federal, and private financial aid resources
- CSS Profile: [cssprofile.org/](https://cssprofile.org/)
  - \$25 application fee
  - Need-based U-M grants and scholarships
- Both available Oct. 1
- Priority deadline: March 31
- Suggested Filing Date: Dec. 15

# Completing the FAFSA: How

Federal Student Aid  
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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the AMERICAN MIND®

## Create a New FSA ID

An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature.

Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member. Misrepresentation of your identity to the federal government could result in criminal or civil penalties.

To create your own personal FSA ID, enter answers for the questions below and select CONTINUE.

*Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires.*

Create An FSA ID

Edit My FSA ID

E-mail

Confirm E-mail

Username \*

Password \*

☒ Numbers ☒ Uppercase Letters ☒ Lowercase Letters ☒ Special Characters ☒ 8-30 Characters ☐ Show Text

Confirm Password \*

Are you 13 years of age or older? \*

- ☐ I am 13 years of age or older.  
☐ I am 12 years of age or younger.

CONTINUE >

[Edit My FSA ID](#)

[Frequently Asked Questions](#)

## FSAID

- Student AND one parent
- [fsaid.ed.gov](https://fsaid.ed.gov)
- Allows student and parent to sign FAFSA electronically
- Each needs individual FSAID profile



# Completing the FAFSA: How

## Important documents

- IRS Data Retrieval (preferred) or 2021 Tax Return
- Bank/asset statements
- Child support (paid or received)
- Other untaxed income received except Social Security

# Completing the FAFSA: Why



## Why should you complete the FAFSA?

- Expected Family Contribution (EFC) determines your aid eligibility
- Gain access to multiple sources of aid
- Can list up to 10 schools on your application



# Completing the FAFSA: What

## FAFSA: What Should I Expect?

- Multiple sections are for student information
- Two sections are for parent information
- “As of today” language



# Completing the FAFSA: Who

## FAFSA

- **Each student**
  - Parent data can be transferred for multiple children
- **Parent(s)**
  - Both parents (biological, step-parent, adoptive) if married
  - Only one parent if single, divorced, or separated (the one the student lives with)
  - If both parents live in the same house and are not married both incomes go on FAFSA



# Dependent vs Independent

## FAFSA: Dependent vs. Independent

- **Dependent** (most students are dependent)
  - Requires parental information
- **Independent** (No parental information required if):
  - Married
  - At least 24 years old
  - At any time since you turned age 13, both your parents were deceased, you were in foster care, or you were a Ward of the Court/State
  - Have a dependent that you provide more than 50% support for
  - Homeless

*(This is a sample of questions on the FAFSA that determine independent student status)*

# Important Dates



## When should you complete the FAFSA?

- The FAFSA is available on **Oct. 1** using earlier tax information
- State of Michigan deadline is **March 1**
- U-M deadline is **March 31** (we recommend completing applications by March 1 in case additional documentation is needed).
- FAFSA is an annual application. File it every year!
- If you apply by the suggested filing date of **Dec. 15**, and are admitted Early Action, you will receive a preliminary financial aid package sooner.

# Applying for Financial Aid

## **FAFSA: frequent errors**

- Social Security numbers
- Divorced/remarried parental information
- Student/parent income
- Untaxed income
- Real estate & investment net worth
- U.S. income taxes paid
- Household size
- Number of household members in college
- Work-Study preferences

# Cost Planning Tools



## Planning tools:

- [finaid.umich.edu/tools-resources/planning-tools-calculators#comparing-financial-aid-offers](https://finaid.umich.edu/tools-resources/planning-tools-calculators#comparing-financial-aid-offers)

## College Scorecard compares colleges from around the country

- [collegescorecard.ed.gov](https://collegescorecard.ed.gov)

# Cost Planning Tools

## Net Price Calculator

- A free, interactive tool that provides estimated net cost
- Uses institutional data
- Calculates individual situations
- [npc.collegeboard.org/app/umich](https://npc.collegeboard.org/app/umich)

## Federal Student Aid Estimator

- Free federal tool
- Early estimate for federal student aid
- Offers options to pay for college
- [studentaid.gov/understand-aid/estimate](https://studentaid.gov/understand-aid/estimate)

# Next Steps

## What's next?

- Make necessary FAFSA corrections
- Complete institutional forms
  - CSS Profile
  - Scholarship applications
  - Verification
- Additional documentation (Federal Tax Transcripts, W-2s)
- Estimated Aid Notices will be sent in early 2023
  - Based on initial calculated need
  - Not binding, simply an offer



# Next Steps

## Reporting Special Circumstances

- Change in employment, death, marital status, one-time significant benefit, large out-of-pocket medical expenses, etc.
- Cannot report on FAFSA
- Send explanation to each financial aid office
- All special circumstances will be reviewed, and a FINAL decision will be made\*

\*Cannot appeal this decision to Department of Education



# Tips for Students & Families



**Consider payment plans**

**Know before you Go Blue!**

**Satisfactory Academic Progress**

**Apply for scholarships every year**

**Meet all deadlines**

- Check & respond to your email
- Check & respond promptly to request

**Problems/issues**

- Talk to the experts on campus

# Thank You

## Office of Financial Aid

515 E. Jefferson St.  
Ann Arbor, MI 48109-1316

[finaid.umich.edu](https://finaid.umich.edu)

## Outreach Unit

[ofa-outreach@umich.edu](mailto:ofa-outreach@umich.edu)

The information presented is based on current circumstances and is subject to change. Please refer to specific schools/institutions for additional information.

