



WACHOVIA

# Filling Out the FAFSA

*Free Application for Federal Student Aid*



**The Path to Financial Aid Starts Here**

# FAFSA

## What's Inside?

Federal student aid is provided by the U.S. government to help you pay for college. The first step in the financial aid process is filling out a Free Application for Federal Student Aid (FAFSA). The FAFSA may also be used to apply for aid from other sources, such as your state or school.

This free guide can walk you through the process of filling out your FAFSA step by step. If you have other questions related to the FAFSA, talk to your financial aid advisor or visit the frequently asked questions (FAQ) section of [www.fafsa.ed.gov](http://www.fafsa.ed.gov).

And if you need information regarding your financing options, a Wachovia representative is ready to help. Call us toll-free at 1-800-338-2243 or visit us online at [wachovia.com/education](http://wachovia.com/education).



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## What is the FAFSA?

The FAFSA form asks a number of questions about your income and assets, and usually that of your parents, in order to calculate your Expected Family Contribution (EFC). This dollar amount determines your eligibility for various federal, state, and some school student aid programs.

### Why should I apply for financial aid?

There is a common misconception that financial aid is only available to students with great financial need or outstanding academic or athletic performance. This is not the case. In fact, nearly all students and families are eligible to receive some form of federal aid.

Financial aid packages often consist of a mix of free aid (such as scholarships, grants and federal work-study), and aid that must be repaid (loans).

There is no obligation to accept the financial aid programs you may be offered, so there is really no reason not to complete the FAFSA. Plus, there is no age limit for federal aid programs, so even adult learners are encouraged to apply. Even if you don't qualify for grants or subsidized loans because your family income is high, almost every student qualifies for an unsubsidized Federal Stafford loan, which has significant benefits over other types of loans you may use to pay for school. So regardless of your family's income, you should complete a FAFSA every year.



### **Is there a fee to apply?**

Absolutely not! Filling out the application is free, so you have nothing to lose. There is plenty of help available, both online and over the telephone, to assist you with any questions you have as you complete the FAFSA. Be aware that there are a number of companies who will complete the application for you – and charge you a substantial fee.

### **Who is eligible for aid?**

To be eligible to receive federal student aid, you must meet certain requirements:

- Be a U.S. citizen or eligible non-citizen with a valid Social Security number
- Have a high school diploma or GED or pass an approved ability-to-benefit (ATB) test
- Be working toward a degree or certificate in an eligible program
- Be registered with the Selective Service, if a male age 18-25
- Meet satisfactory academic progress standards set by your school
- Not in default on a federal loan
- Do not owe a refund on a federal grant or be in default on a federal student loan
- Do not have certain drug convictions

# Apply online to catch common mistakes

## **When should I apply?**

Apply as soon as possible after January 1. Funding for certain aid programs is limited, so those who apply early in the year may receive the best aid packages. The deadline to submit your completed FAFSA for the 2007-2008 academic year is July 2, 2007. Be aware that deadlines for some state and school financial aid programs may be earlier in the year. Check with your college for exact deadlines.

## **Do I need to complete my income tax return before I fill out the FAFSA?**

It will be easier to complete the FAFSA if you have completed tax returns to refer to. But don't wait until April to submit your FAFSA, because many colleges award financial aid on a first-come, first-served basis. If you (or your parents) haven't yet prepared your tax return, use estimates based on instructions for the IRS tax form. If necessary, you can correct your FAFSA later to agree with the information on your tax return.

## **What records do I need to get started?**

Before sitting down to complete your FAFSA, you'll need the following information:

- Social Security numbers for you and your parents
- Alien Registration Card or permanent residence card (for non-U.S. citizens)
- Your driver's license number
- Income tax returns for you and your parents
- Records of any untaxed income



- Bank statements and investment records for you and your parents
- Any personal business or farm records, business and investment mortgage information, stock, bond and other investment records

### **Why is it better to apply online?**

Completing your FAFSA at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) is the fastest and easiest way to apply, and common mistakes can be caught automatically. The forms are available in English and Spanish.

**TIP:** First print out and complete a FAFSA on the Web Worksheet and then transfer the information to the online application.

### **Do I need a PIN?**

The Personal Identification Number (PIN) serves as your electronic signature and provides access to your personal information in various U.S. Department of Education systems. This works in a similar fashion to the PIN you may use access a bank account.

Once you've applied for a Personal Identification Number at [www.pin.ed.gov](http://www.pin.ed.gov), you'll be able to e-sign your FAFSA online. You can also use your PIN to sign a master promissory note and get other information about your federal student loans.

## Filling Out the FAFSA, Step by Step

Let's get started! Have your completed FAFSA on the Web Worksheet in front of you and log on to [www.fafsa.ed.gov](http://www.fafsa.ed.gov). Be sure to read each question carefully.

Look for this image for help with each question of the FAFSA online.



### *Step 1:* Information About You

See the instructions for help with any of the questions, or call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243).

### *Step 2:* Your Income and Assets

The information you supply in this step will be used to determine your Expected Family Contribution, or EFC. Use your completed tax returns or estimate worksheets. You should answer these questions as of the date you complete your FAFSA. For example, if you are married on the day you fill out the application, report your and your spouse's income, even if you were not married last year. Ignore references to spouse if you are single, divorced, separated or widowed.

#### **Student (and Spouse) Worksheets**

Use the records you gathered to answer the questions on Worksheets A, B and C. If you apply online, the program will help you complete the worksheets and automatically transfers your answers to the appropriate line.

## *Step* **3**: Your Status – Dependent or Independent?

Your answers to these seven questions will determine your dependency for financial aid purposes and will determine if parental information is required on the FAFSA. For federal student aid purposes, you must provide parent information if you answer “No” to ALL of the questions in this section. If you answer “Yes” to ANY of the questions, you do not have to provide parent information.

### **WHY DO THEY ASK THAT?**

“Completing the FAFSA” from the U.S. Department of Education explains the purpose behind the FAFSA questions and how to deal with unusual circumstances. It’s available at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).



## **Step 4: Information About Your Parents**

Answer each question about your parents or step-parent, leaving no question blank. Note that your parents do not need to have Social Security numbers for you to be eligible for aid. If you are applying online, results for Worksheets A, B and C will be automatically populated. Remember to refer to online help for assistance.

If your parents are divorced or separated, use the information for the parent you live with or who provided the most financial support for you.

## **Step 5: Independent Students**

Complete these questions only you answered “Yes” to any question in Step Three.

## **Step 6: School Codes and Housing Plans**

List up to six schools you are interested in applying to. This will allow them to receive your information so they can provide you with an offer of financial aid. School codes are available at [www.fafsa.ed.gov](http://www.fafsa.ed.gov).

## **Step 7: Read, Sign and Date**

Use your PIN to sign the form online.

When you're ready to submit your FAFSA:

- Double check for completeness and accuracy.
- Make a photocopy for your records.
- No mailing is necessary if you completed the FAFSA online.



## **AVOID COMMON ERRORS**

- Don't leave any questions blank.
- Use your federal tax returns to report income and taxes paid.
- Use your full legal name (the one on your Social Security card).
- Report your correct marital status as of the date you fill out the FAFSA.
- Read and follow all instructions carefully.
- Remember to sign the form. If you sign electronically online, no paper signature is necessary.

## What Happens Next?

### 1. Review Your Student Aid Report (SAR)

Within a few days of completing your FAFSA online, you'll receive your SAR electronically from government. Look it over carefully to make sure the information agrees with what you submitted.

Your SAR contains your EFC, which your school uses to determine the amount of federal grants, loans or work-study awards you are eligible for.

If your SAR contains errors, you can correct them online. Select "Make Corrections to a Processed FAFSA" at [www.fafsa.ed.gov](http://www.fafsa.ed.gov).

### 2. School Verification

Your school will match your admissions record with your financial aid application and determine your eligibility for aid.

### 3. Compare Award Letters

Each of the schools listed on your FAFSA will review your SAR and mail you a letter outlining the financial aid package they are offering, and how much you are expected to contribute (EFC).

Compare each school's offer carefully to determine which is best for you, as financial aid awards can vary dramatically. Consider whether the aid offered is likely to continue in future years.



Your award may include the following types of aid, some that are based on need and some that are not.

### Sample Financial Aid Award Package

Total Cost of Attendance	\$20,000
Expected Family Contribution	\$5,000
<b>Financial Need</b>	<b>\$15,000</b>
Outside Scholarship	\$1,000
Federal Pell Grant	\$0
State Scholarship Grant	\$1,500
Institutional Grant	\$4,500
Federal Perkins Loan	\$1,500
Federal Work-Study	\$2,000
Federal Stafford Loan	\$2,625
<b>Total Award</b>	<b>\$13,125</b>

The government offers a variety of low-interest loans under the Federal Family Education Loan Program. As a student borrower, you won't have to start repaying your federal loans until after you leave school (or drop below half-time enrollment). With some of these programs, you will be allowed to choose a lender of your choice, such as Wachovia.

### **Federal Need-Based Programs**

- Federal Pell Grant – Awarded to undergraduate students who do not have a bachelor's or professional degree.
- Federal Supplemental Educational Opportunity Grant – Awarded to undergraduates with exceptional financial need who do not already have a bachelor's degree.
- Federal Work-Study – Part-time jobs on campus or in the community that award up to \$2,200 per year.
- Federal Perkins Loan – A low-interest (5%), long-term loan awarded to eligible undergraduate and graduate students.
- Subsidized Federal Stafford Loan – Available from Wachovia, this low interest, fixed-rate loan (6.8%) is made available depending on your income and dependency status. Effective July 1, 2007, dependent students can receive up to \$3,500 for the first year of undergraduate study, \$4,500 for the second year, and \$5,500 per academic year for upperclassmen. Graduate students may borrow up to \$8,500 per year. Interest is paid by the government while you're in school.

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### Federal Non-Need-Based Loan Programs

- Unsubsidized Federal Stafford Loan – Available from Wachovia, this loan provides the same low interest rate and loan terms as the Subsidized Stafford Loan, but the government does not pay the interest that accrues prior to repayment.
- Federal PLUS Loan for Parents – Available from Wachovia, this option for parents can cover up to 100 percent of their child's education costs, minus other aid awarded.

Besides these federal loans, many states offer scholarships or grants to state residents who are working on their first bachelor's degree.

*for more help*  
with comparing award  
packages, go to  
**studentaid.ed.gov**



#### 4. Decide Which Award to Accept

Once you have decided which college to attend, sign that you're accepting the award and send the letter back to the school. Notify the other colleges that you will not be attending.

Contact the Financial Aid Office at the school you will be attending and provide them with all the documentation they need to complete your file.

#### 5. Choose a Lender

If you'll be applying for a Federal Stafford Loan, there is good reason to choose Wachovia Education Finance as your lender.

Wachovia offers four big principal rebates on Stafford loans that really add up<sup>1</sup>:

- Instant **2% rebate** with zero origination fee
- **1% Triple Payback<sup>®</sup>** rebate at the start of repayment
- **1% Triple Payback** rebate after 12 scheduled payments
- **1.5% Triple Payback** rebate after 24 scheduled payments

When these savings are combined and automatically applied to your outstanding Stafford Loan balance, the savings can increase up to **9.49%** of the original loan amount over the life of the loan.<sup>2</sup>

## It's Easy to Apply

We make it easy to receive the funds you need quickly. Call us toll-free at **1-800-338-2243**, or for faster funds, complete and sign your application entirely online at **wachovia.com/education**.

**It takes about six weeks from the time you submit your FAFSA to receive aid**

footnotes:

1. This benefit program may be modified or discontinued at any time without notice. Program changes will not affect loans that qualify for the benefit prior to the time of the change. Other terms and conditions apply. Visit [wachovia.com/education](http://wachovia.com/education) for complete details and eligibility requirements.
2. Future savings may vary. Effective savings rate is based on the total interest saved over the length of the loan when all rebates are applied to principal reduction. Stafford savings estimate assumes a 54-month deferment period and an interest rate of 6.8%.

## When Do I Get the Aid?

The process for financial aid normally takes about six weeks from the time you submit your FAFSA until you actually receive your award, although processing times may vary during peak periods.

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). Any remaining aid is paid to you for your other educational expenses. If you are eligible for a federal loan, you will need to complete a separate application/promissory note through your lender. The Financial Aid Office will keep you notified about disbursement dates and how you may receive your award funds.

## Need More Information?

If you have unusual circumstances that aren't mentioned in the application, contact your Financial Aid Office or The Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243; TTY users: 1-800-730-8913).

Check out these resources to learn more about financial aid:

- [www.studentaid.ed.gov](http://www.studentaid.ed.gov)
- [www.students.gov](http://www.students.gov)
- [www.wachovia.com/education](http://www.wachovia.com/education)

Don't forget to  
complete a FAFSA  
again *next year*.



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