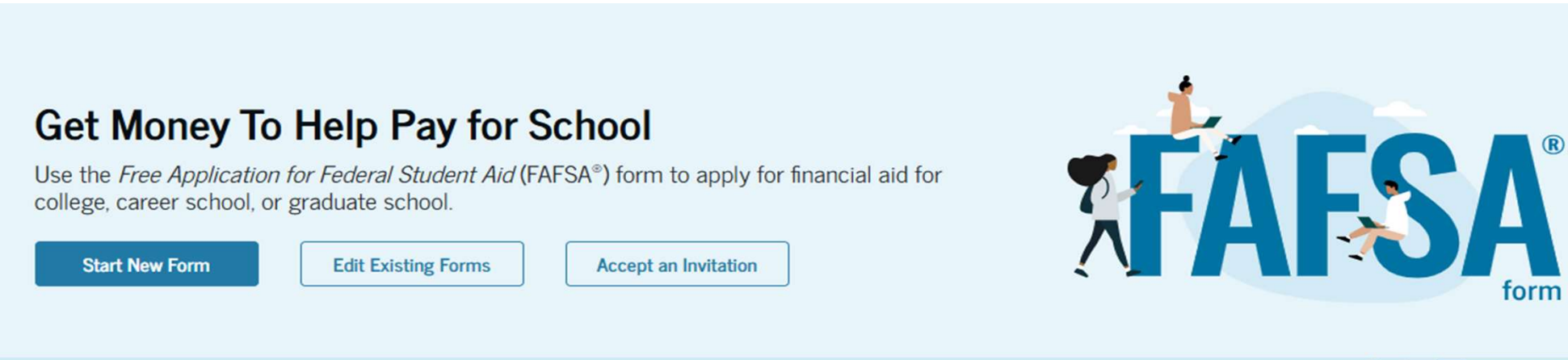
Filing the FAFSA and Planning for College Costs

Shannon Phlegar

Ohio Northern University

Overview

- Free Application for Federal Student Aid (FAFSA)
- Student Aid Index (SAI)
- Cost of Attendance (COA)
- Financial Need
- Types of Financial Aid
- Special Circumstances



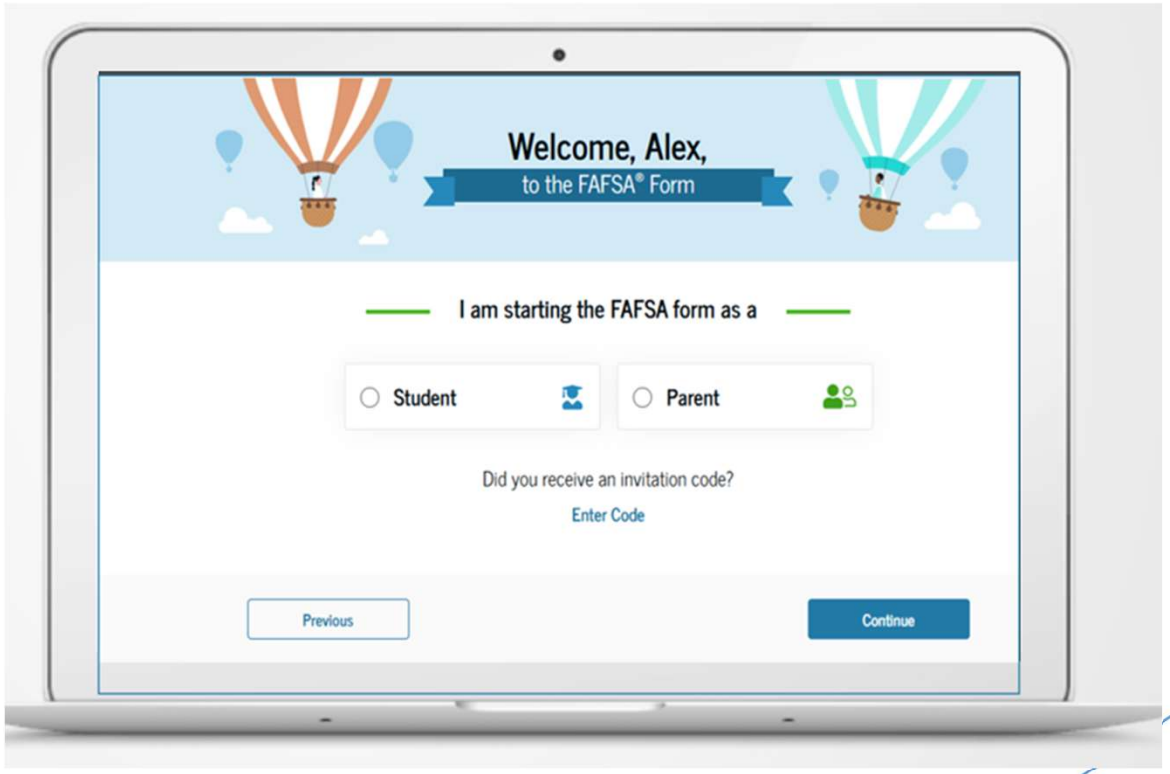
- Form that collects demographic and financial information about the student and family
- Complete FAFSA online at www.FAFSA.gov
- Opens on or before October 1st
- Uses prior year tax information (2025)
- List up to 20 colleges/universities - Some have a filing deadline
- A renewal application must be filed each year in order to continue receiving Federal Aid.

StudentAid.gov Account

- Apply for account online at www.studentaid.gov
- Must be created before starting the FAFSA
- Serves as login and signature on FAFSA
- Student and any parent(s) applying with the student need to create an account
  - Use different email addresses and mobile numbers
- Two-factor authentication will be required
- Account used throughout aid process and in subsequent years.

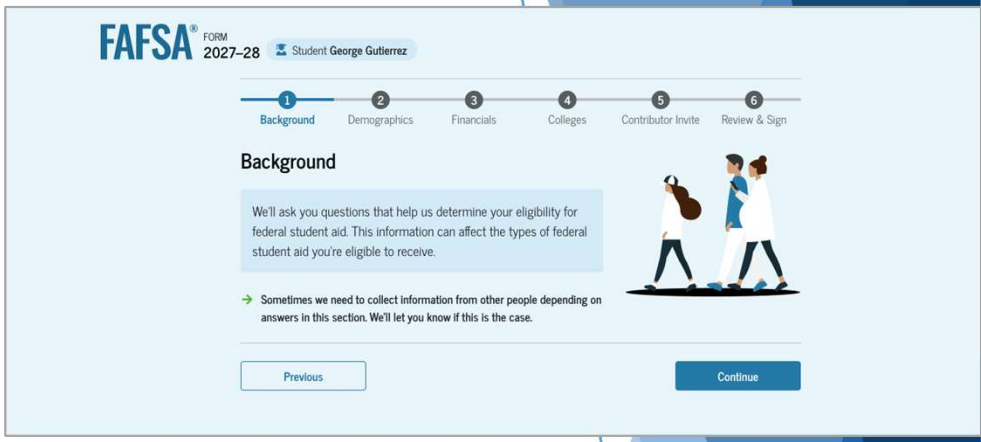
Beginning the FAFSA

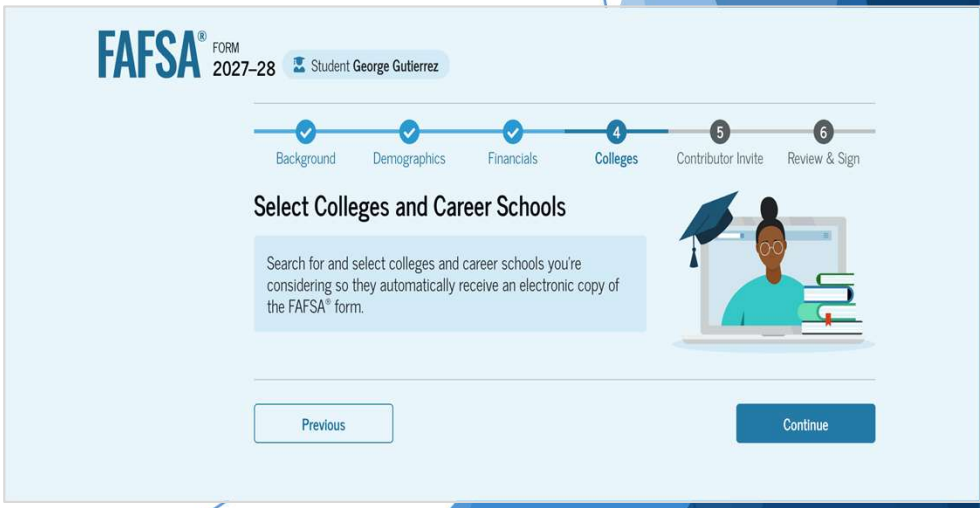
Either the student or a parent can start the FAFSA



Data Collected by the FAFSA

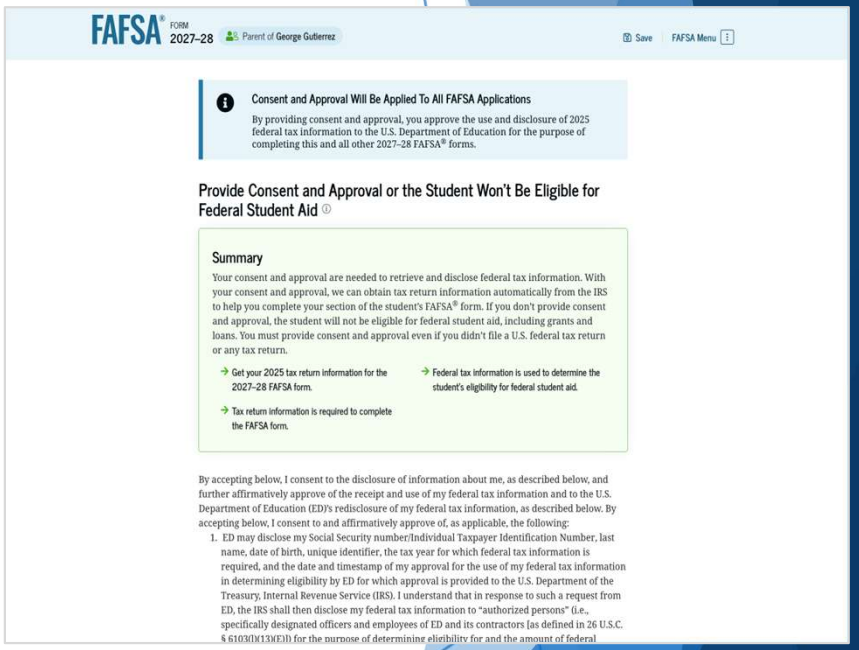
- Student demographics
- Student income from 2025
- Student assets
- Parent demographics and household information
- Parent(s) income from 2025
- Parent assets
- Colleges to receive information
- Driver's license info/identity verification





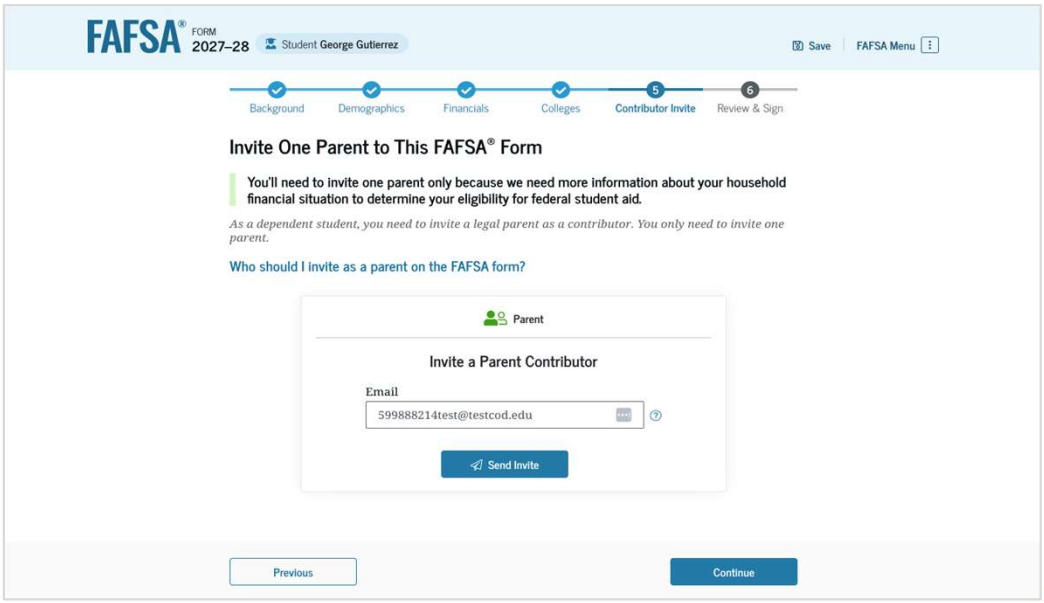
IRS Consent Required

- Tax information sent directly from the IRS for student and parent(s)
  - When logging in, all contributors will be required to give consent to transfer this information
  - No consent = no federal aid
  - The processing system will confirm if there is tax information on file and bring it directly into the FAFSA.



Parents Invited to Contribute

- Contributor used as a term for anyone who will provide information to the FAFSA
- Students will be asked to invite parents to contribute

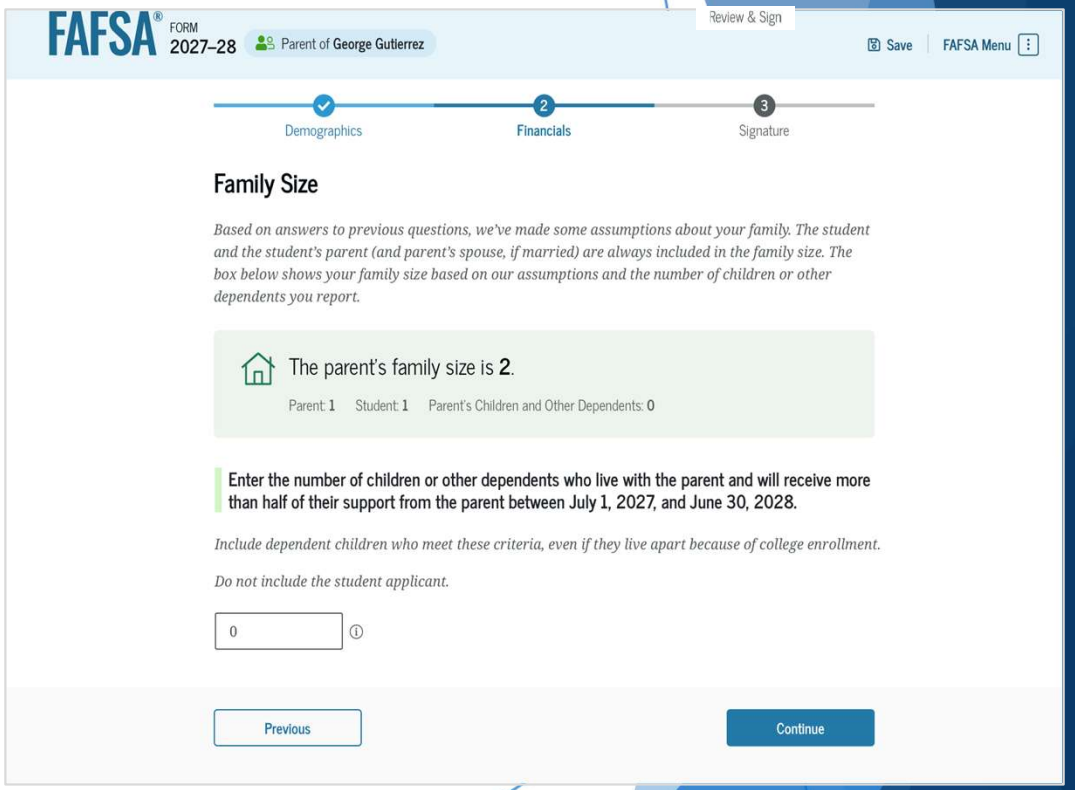


Who's My Parent on the FAFSA?

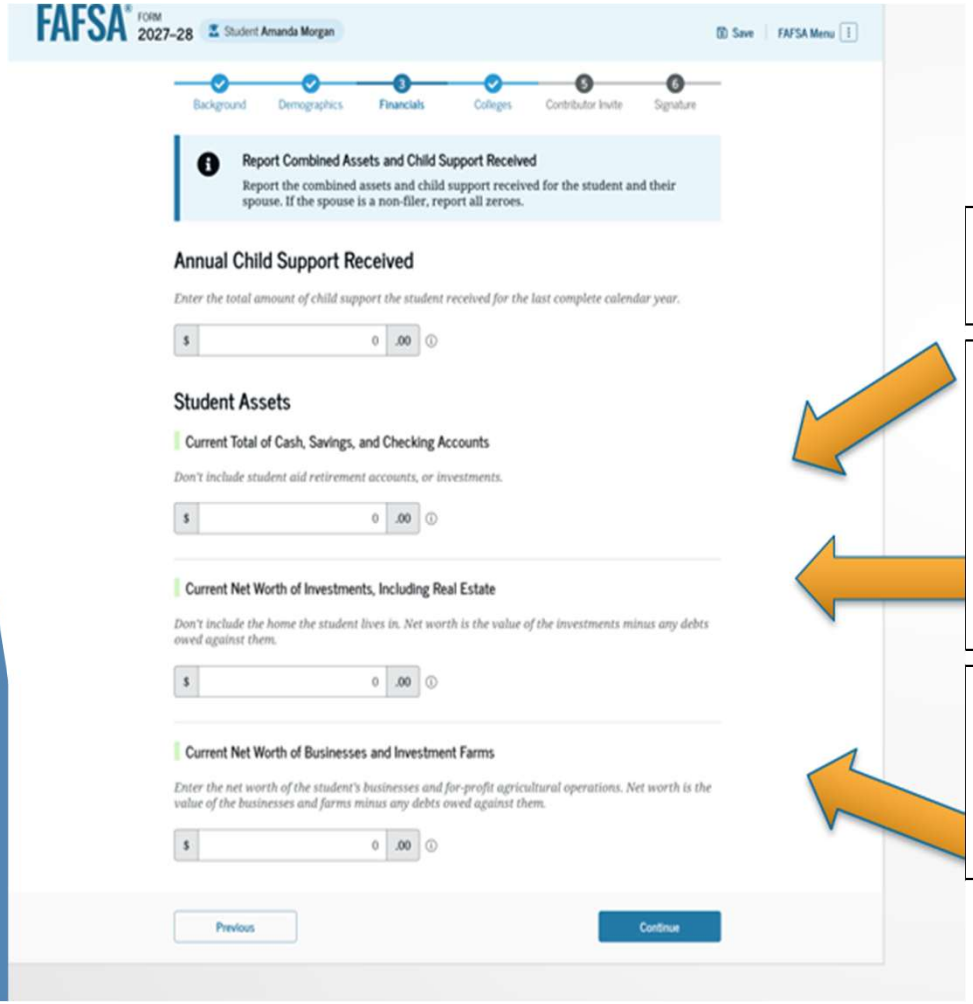
Parent Status	How to File the FAFSA
Parents are married	Both report information
Parents are not married, but live together	Both report information
Parents do not live together or are divorced	Report for the parent who provides the greater portion of the student's support If remarried, stepparent information must be included

Household Size

- This number will automatically be populated with the number of dependents on the parent(s) 2025 federal tax return
- FAFSA will ask if this is correct, if not correct there will be an option to manually enter household size



What Assets Will I Include?



Current value of cash, savings, and checking accounts

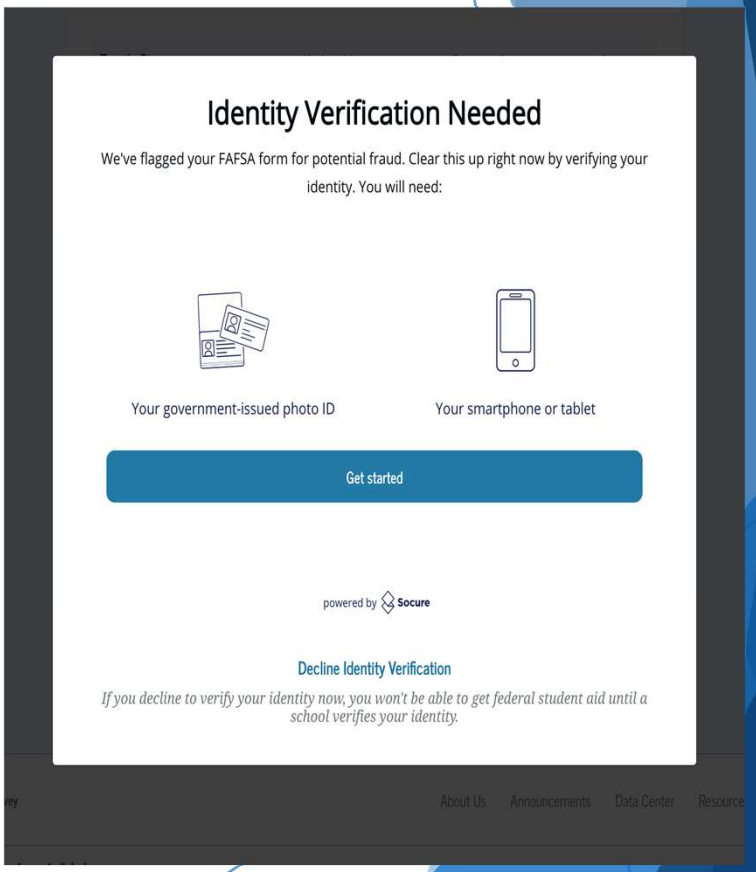
Current value of other investments – i.e. stocks, bonds, CDs, 529 plans (for student only), rental property, vacation homes, mutual funds

Do Not include the value of your home or your retirement accounts

Current net worth of businesses and income-producing farms. **Don't include businesses with 100 or less employees or farms where the family resides.**

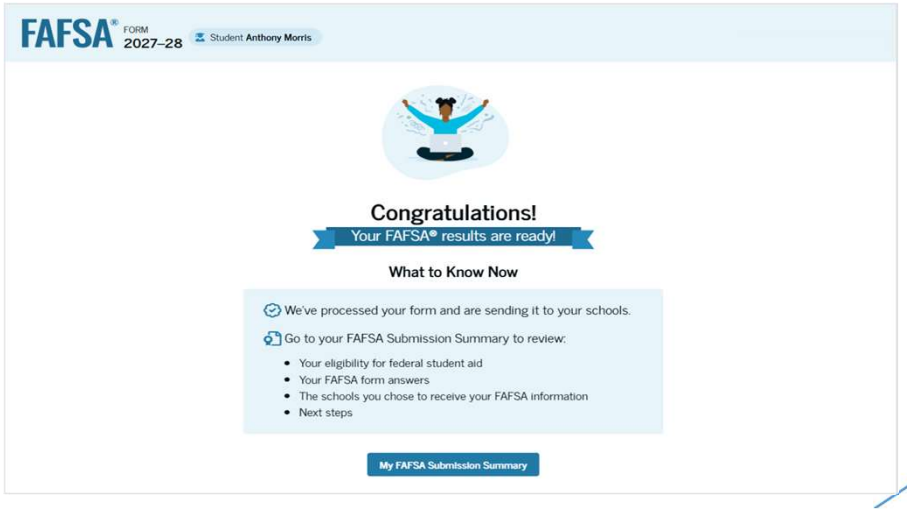
NEW-Identity Verification

- A small number of students will receive a pop-up to verify their identity while completing the FAFSA
- Can choose to decline, but then the student's school will need to complete a verification process
  - Once verified by one school valid for all schools
- FAFSA will not be valid until this verification is completed



FAFSA Processing Results

- Notice of a FAFSA Submission Summary will be e-mailed to the student
- Record will be sent to colleges listed on the FAFSA. Colleges may request additional information once they receive the results
- Corrections can be made at studentaid.gov



FAFSA and SAI

- Information provided on the FAFSA is used to calculate the SAI (Student Aid Index)
  - SAI - An evaluation of what level of financial resources the student and family can contribute towards college expenses for the academic year
  - SAI is the same at all institutions
  - Two components

    Parent contribution

    Student contribution
- Colleges/universities use the SAI to award financial aid

Special Circumstances

- Families cannot report special circumstances on the FAFSA
- Contact financial aid office for assistance
- Examples:
  - Change in employment status
  - Medical expenses not covered by insurance
  - Change in parent marital status
  - Unusual dependent care expenses
  - Student cannot obtain parental information

Cost of Attendance (COA)

- Direct Costs
  - Tuition, Fees, Housing and Meals
- Indirect Costs
  - Books & Supplies, Transportation, Personal Expenses
- Varies based on institution

Financial Need

Cost of Attendance (COA)

– Student Aid Index (SAI)

– Other Financial Assistance (OFA)

= Need-Based Eligibility

Types of Financial Aid

Scholarships	• Gift aid • From College/University and outside sources
Grants	• Gift aid • From Federal/State Government and/or College/University
Loans	• Self-help aid • Federal, Private, and/or College/University
Student Employment	• Self-help aid • Federal Work Study/Campus employment

Scholarships
(Money that does NOT need to be repaid)

Postsecondary	Local & Regional	National
Offered by the college, university or institution	**Offered by community organizations**	**Typically offered through competitive application processes**
Criteria: merit, degree/major, athletic, talent, first generation, alumni, etc.	**Criteria:** varies by source	**Criteria:** varies by source
Search: School website, Admissions and Financial Aid Offices	**Search:** Local businesses, Community Foundations, School Counselors, Local Library	

Grants

- Money that does not have to be repaid
- Typically awarded based on financial need
- Federal:
  - Federal Pell Grant
  - Federal Supplemental Educational Opportunity Grant (SEOG)
  - Teacher Education Assistance for College and Higher Education (TEACH) Grant
- State:
  - Ohio College Opportunity Grant (OCOG)

Grants

Grant	2026-2027 Award Amount
Federal Pell Grant	Up to $7,395, determined by federal poverty tables and SAI
Federal Supplemental Educational Opportunity Grant (SEOG)	Up to $4,000; varies based on the institution; awarded to students with exceptional financial need
TEACH Grant	Up to $4,000
Ohio College Opportunity Grant (OCOG)	Up to $4,000 for public and $5,000 for private and non-profit institutions, awarded to students with a SAI of 3750 or less

Loans

- Money that students and/or parents can borrow to help pay for college
- Repayment generally begins after graduation
  - Loans may specify a “grace period” which is the time before repayment begins
- Borrow only what is necessary



Federal Direct Student Loans

- Awarded to all eligible students, regardless of need
- In the student's name as the borrower and responsible party
- No credit check
- No payments required while in school or 6 months after graduation
- Subsidized vs unsubsidized (determined by financial need)
- Fixed interest rates and fees
  - 6.52% for 2026-27 AY
  - 1.057% origination fee
- Apply by completing the FAFSA®

Dependent Direct Loan Borrowing Limits

Grade Level	Amount
Freshman	$5,500; up to $3,500 subsidized
Sophomore	$6,500; up to $4,500 subsidized
Junior/Senior	$7,500; up to $5,500 subsidized
Aggregate Limit	$31,000; up to $23,000 subsidized

Federal Direct Parent PLUS Loans

- Parent is the borrower (biological, adoptive, and stepparent)
- Annual FAFSA® completion required
- Borrowing limits: $20,000 per year, $65,000 aggregate limit per dependent student
  - For new Parent PLUS borrowers as of July 1, 2026
- Repayment begins 60 days after disbursement
  - Parent may choose to defer payments while student is enrolled (6-month grace period)
  - **Interest Accrues** and is the parent's responsibility
- Fixed interest rates and fees
    - 9.07% for 2026-27 AY
    - 4.228% origination fee
- No minimum score requirement, debt to income ratio, or income requirements
  - Must have no adverse credit

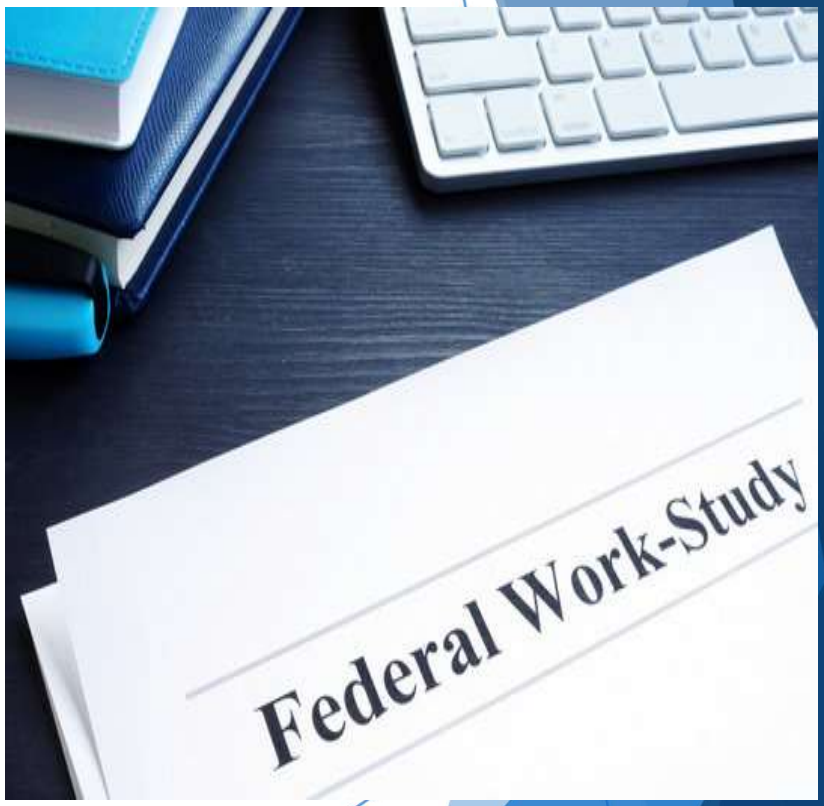
Private Student Loans

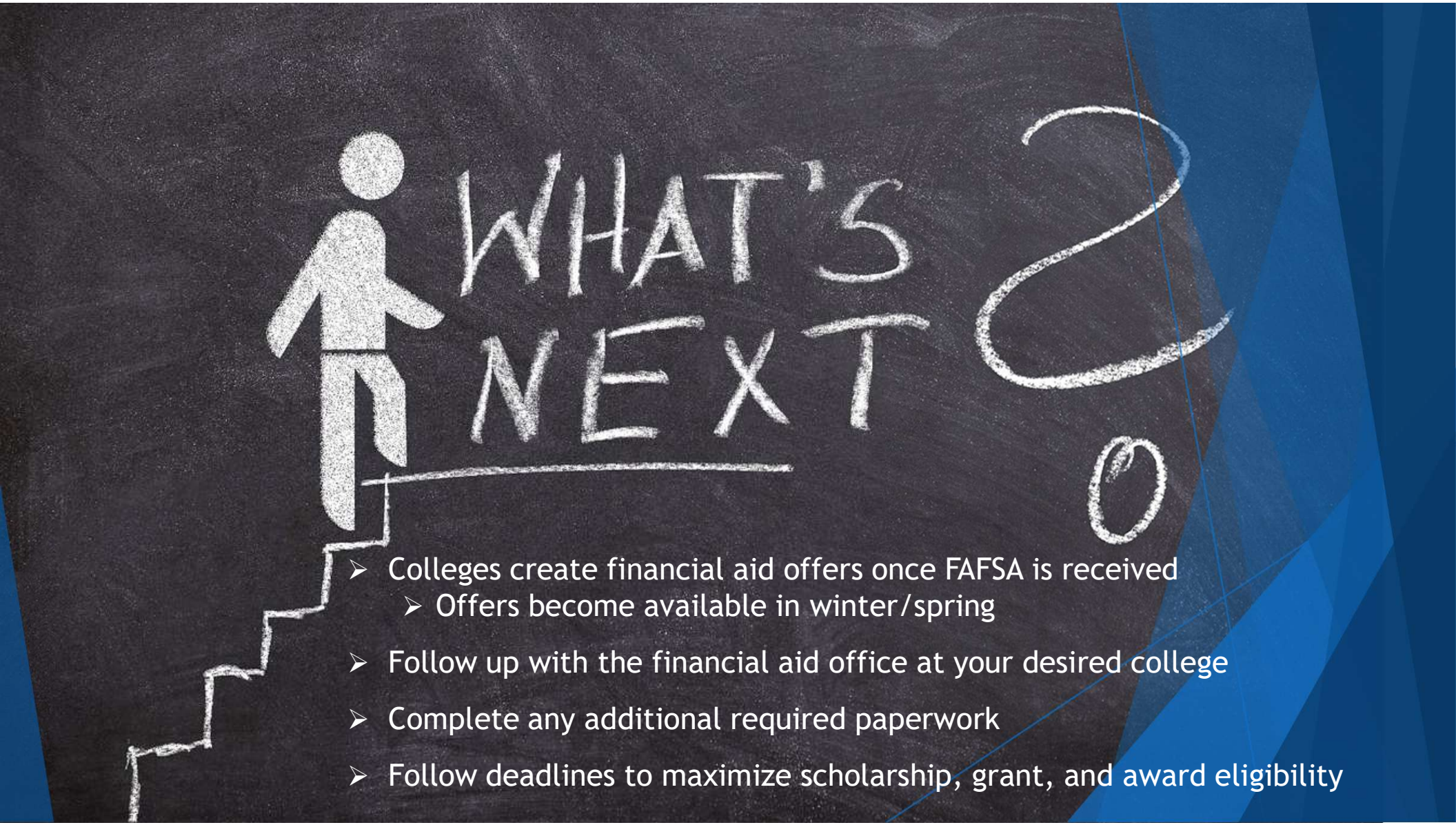
- Nonfederal loans made by a lender, such as a bank, credit union, or state agency
- Student can borrow in their name and will likely require a co-signer, or parent can borrow in their own name on behalf of the student
- A credit check is required, and some lenders will also require proof of income
- **Compare loans before making your choice and review fine print.**



Federal Work Study

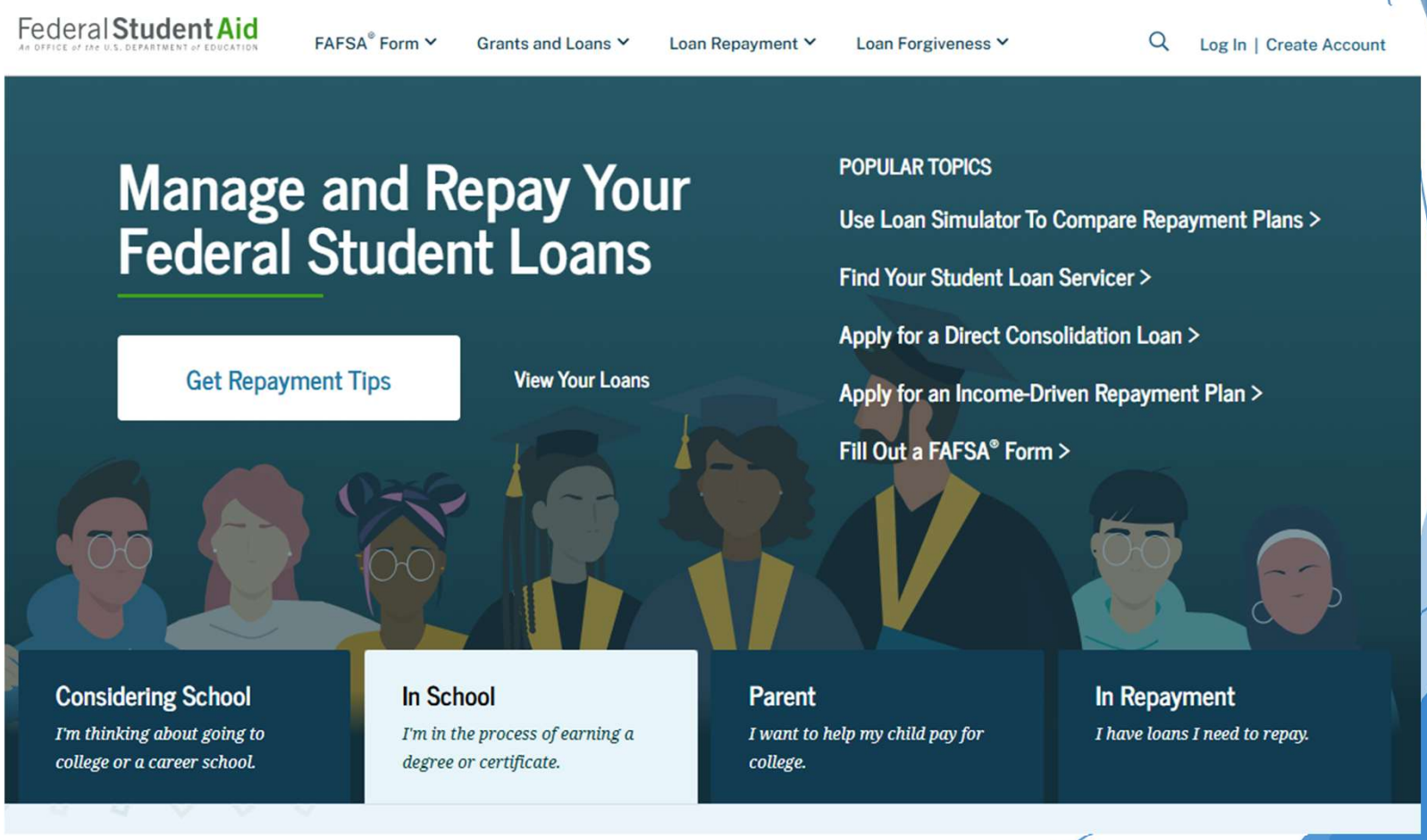
- Allows a student to earn money to help pay for educational expenses
- Earn a paycheck or receive non-monetary compensation such as room and board
- Employment can be on or off campus
- Typically pay minimum wage
- FAFSA is required





- Colleges create financial aid offers once FAFSA is received
  - Offers become available in winter/spring
- Follow up with the financial aid office at your desired college
- Complete any additional required paperwork
- Follow deadlines to maximize scholarship, grant, and award eligibility

More Info: studentaid.gov



Thank You!