

High School Counselor Workshop Notes

October 9th, 2020

2021-22 FAFSA Verification/Walkthrough

No significant changes to the 21-22 FAFSA. Will require tax information from 2019 tax year.

What You'll Need:

Identification: FSA ID's and Passwords

Income: 2019 Tax Information

Common Pitfalls:

Student's Degree: High School Graduate is not the same as "Graduate Student"; this question (as well as "Do you have a Bachelor's Degree?") knocks student out of eligibility for state-based aid opportunities (Access MO) and Pell Grant.

Marital Status: The number of parents on the FAFSA must match the marital status on the FAFSA. For instance, if a student lists two "parents" on the FAFSA (either step-parent or biological parents), the parent's marital status is married/remarried.

Define Parent: Biological or legally adoptive parent; If the biological or legally adoptive parent is married, both parents should be listed on the FAFSA. If biological or legally adoptive parent is divorced and not remarried, marital status should be divorced/separated.

Residency: Student reports parent (if parents are separated) that 1) The student lived with more, or 2) The student received more financial support from (in that order).

Household Size: Always includes the student, parent of record (and step-parent if parent is remarried). Siblings and half-siblings can be included if: 1) The parent will provide more than half of the child's financial support. 2) The child would be dependent on their own FAFSA. Anyone else can be included if parent of record provides more than half of their financial support.

Tax Year: The FAFSA requires certain tax-year income. If a family's income has changed since the reported tax year, talk to the Financial Aid Office. There's a process that school's can utilize to potentially accommodate these changes.

Assets: Primary residence and vehicle not assets. If a business has less than 100 full-time employees, this does not need reported. If a family lives on a farm, it's not considered an asset. 529 and MOST Plans are reported as assets, as well as property value (after deducting what they owe), stocks, bonds, and mutual funds.

Use Data Retrieval Tool, if possible!!

Verification Strategies

Verification is a review process to verify that everything reported on the FAFSA is correct. College's can and will request documentation from students.

For tax filers, they may be required or asked to verify the following items:

- 1) Adjusted Gross Income
- 2) Taxes Paid
- 3) Untaxed Portion of IRA
- 4) IRA Deductions/Payments
- 5) Tax Exempt Interest Income
- 6) Education Credits

Non-tax filers may be required to verify income earned from work.

For both filers and non-filers, they may be asked to verify household size and number in college.

Why verification?

There's a risk algorithm that is employed when students are selected for verification. The cost to verify is significant, both for students and administrators.

Tax Filers can submit one of three things to verify tax information:

- 1) Use of Data Retrieval Tool
- 2) Tax Return Transcript from the IRS
- 3) A signed copy of income tax return (with all Schedules)

For a non-tax filer, they must submit:

- 1) A signed statement certifying that they did not file a return and were not required to file a return. Copy of all W2's received for the tax year required. Verification of Non-Filing Letter also required (using 4506-T form).

Students can experience a variety of emotions when it comes to verification. It's important to orient students to the "why" around verification.

Common Misconceptions:

Verification does not mean that the student is in trouble or has done something wrong.

Using the Data Retrieval Tool does not automatically mean that you're "saved" from verification.

Students can be selected for verification each year.

A student can complete their FAFSA incorrectly but may not be selected for verification.

How Can We Help?

Encourage the use of the Data Retrieval Tool.

If a family can't use DRT, we need to be diligent about requesting transcripts and other documentation on the front-end.

Support students beyond "the logistics".

FAFSA Walkthrough

On main page of FAFSA (www.fafsa.gov), student will log in with FSA ID and password. Do not use high school email addresses to create FSA ID.

Save Key: If you need to start and resume your FAFSA, you will use your save key to reaccess their application. There is a way to reset and recover your save key.

Personal Information: Be sure that SSN is listed correctly. All information should pull from FSA ID. Address should be permanent mailing address.

Citizenship: A student must be a US Citizen or national or an eligible non-citizen.

High School: What will your high school completion status be WHEN YOU BEGIN COLLEGE in the 21-22 school year? Most students WILL NOT list "none of the above".

It may be wise to select "yes" to the work-study question since some schools require a "yes" selection on this question to be awarded.

Gender: Male students can register for Selective Service through the FAFSA. Male students MUST be registered for Selective Service to be eligible.

Question mark is a helpful tool while completing the FAFSA.

In High School selection, the student's high school may be listed multiple times.

With college selection, students can either search for their school by city and state or they can enter in their school's school code.

Student Information is requested first (in blue). Parent information requested second.

Parent Information: If student has a special circumstance, they may be able to submit their FAFSA without parent information. If they do not have a special circumstance, they will list their parent's demographic and financial information.

What parent does the student spend more than 50% of their time with? You will list this parent's marital status as of the day the FAFSA is completed (regardless of whether a parent or step-parent financially supports them). Marital status date is also important in this section.

Household Size: The first fillable option is whether the parent has other children. You can include these children if the parent provides more than 50% of their support. The next fillable question asks if there are any other individuals in the household that receive over 50% of their support living in the parent's household.

FAFSA then asks for tax information for student and parent. If the student/parent is eligible, they can use the Data Retrieval Tool from here. One big factor on DRT eligibility is tax filing status and whether it matches the marital status reported for the student/parent.

Signature and Submission: Student and parent will sign with FSA ID and password. Can submit FAFSA without signatures if absolutely necessary.

CHAT LOG

10:02:50 From Ashley June Moore : PDI Meeting Agreements:

[https://docs.google.com/document/d/1jvH-](https://docs.google.com/document/d/1jvH-GM0Avt4bYeYZMhPv25WmafVyfV46RRejzFMMHsY/edit?usp=sharing)

[GM0Avt4bYeYZMhPv25WmafVyfV46RRejzFMMHsY/edit?usp=sharing](https://docs.google.com/document/d/1jvH-GM0Avt4bYeYZMhPv25WmafVyfV46RRejzFMMHsY/edit?usp=sharing)

10:04:55 From Ashley June Moore : Upcoming PDI Sessions:

<https://stlouisgraduates.org/2020/07/16/professional-development-institute-2020-21/>

10:15:40 From Teresa Stock Steinkamp (she/her/hers) : The Scholarship Foundation has a one-pager on the FSA ID, which we've also made a fillable PDF for record keeping purposes.

<https://sfstl.org/wp-content/uploads/2020/08/FSA-ID-One-Pager-Fillable-Form.pdf>

10:25:43 From j.glassmeyer : What if an outside person is providing all financial & housing needs for student & has for over 5 yrs. Is the bio parent household size still utilized?

10:26:41 From Ashley June Moore to j.glassmeyer(Privately) : Thanks so much for your question! I'll make sure it gets addressed during our Q&A time. :)

10:30:47 From Andrew Smith : If a student doesn't have their green card yet, do they have any financial aid options?

10:31:18 From Amanda Samuels : Question on 529- when to report it? Whose name does it have to be under to report or not report- this is one that always makes me look back and check the answer

10:31:34 From June Day : If a student has received an insurance settlement from being in an accident, does the student need to report that as income?

10:32:34 From Ashley June Moore : <https://PollEv.com/teresasteink716>

10:36:59 From K. Byrd : I have the non-tax filer issue not with a former student. She was unable to get the letter from the website. Please advise!

10:37:18 From Danielle Waldron to Ashley June Moore(Privately) : Many of my students have situations where they live with a grandparent because the parent is on drugs and unable to take care of their child. Sometimes they have "contact" with the parent, but the parent does not provide any support for the student. Any tips for working with these students?

10:38:09 From Ashley June Moore to Danielle Waldron(Privately) : Thanks for your question. I'll make sure our presenters have an opportunity to address it.

10:38:22 From Danielle Waldron to Ashley June Moore(Privately) : Thank you!

10:43:53 From Ashley June Moore to K. Byrd(Privately) : Hello! Just want to follow up on your question so I understand. You're saying that the student wasn't able to get the verification of non-filing letter from the website?

10:44:16 From Pattonville HS Michelle Luraschi : On a similar topic, my wish would be for all MO public colleges (and privates) to come together for the benefit of MO students and use a similar format for the FA award letter? I know that's a big ask = -). Is this something MASFAP can lead the way with?

10:44:54 From Laura Winter :
https://cdn.ymaws.com/www.ncan.org/resource/resmgr/blog/leakypipeline-2018_1100x2475.png

10:45:57 From K. Byrd to Ashley June Moore(Privately) : Yes. She called as well. I don't remember exactly what the message was, but she was unable to get that information.

10:46:18 From Ashley June Moore to K. Byrd(Privately) : Ok. Thanks. I'll be sure to pose the question.

10:46:47 From K. Byrd to Ashley June Moore(Privately) : Thank you!

10:52:05 From Ashley June Moore : 4506-T Form: <https://www.irs.gov/pub/irs-pdf/f4506t.pdf>

10:55:59 From P Hampton : Thank You, great information!

10:56:42 From Amanda Samuels : what if its in the grandparents name- not reported?

10:56:47 From Amanda Samuels : 529, sorry

10:57:09 From Teresa Stock Steinkamp (she/her/hers) : Thanks for sharing the 4506-T, Ashley!

10:57:17 From Monica Nickolai - Collegiate School of Medicine and Bioscience : I normally highlight the 4506-T in two colors, the part the student needs to complete and the part the parent needs to complete. Working in a virtual environment, I am stressed about the students completing the 4506-T correctly. Any best practices for virtual environment?

10:58:25 From Lainie Arnold @ SLU : Thank you!!

10:59:54 From K. Byrd to Ashley June Moore(Privately) : We tried the by mail option and it did not work. I will have her try it again. Thank you!

11:02:27 From Danielle Waldron : Thank you!

11:02:33 From j.glassmeyer : Thank You so much Everyone!!!

11:04:05 From Maria Rebecchi : Distributions have to be reported under the student's untaxed income

11:05:33 From Notre Dame HS-Jamie Pollard : Will the line by line walkthrough be recording as well?

11:06:01 From Laura Winter : Yes

11:06:09 From Notre Dame HS-Jamie Pollard : Thanks!

11:07:38 From Pattonville HS Michelle Luraschi : Thank you for your efforts on the collaboration. We finally have Core 42, so maybe there is hope and precedent =-)

11:08:17 From Notre Dame HS-Jamie Pollard : Thank you all for your advocacy and support!

11:08:24 From Teresa Stock Steinkamp (she/her/hers) : The Scholarship Foundation also has information and resources on deciphering and comparing financial aid letters: <https://sfstl.org/wp-content/uploads/2020/01/Decision-Making-Using-Award-Letters-to-Assess-Affordability-Jan-2020.pdf>.

11:10:04 From Pattonville HS Michelle Luraschi : Thanks for all the information and resources.

11:10:08 From Melissa Findley : We will begin again soon wiht the FAFSA walk through!

11:11:27 From Andrew Smith : Would you recommend students apply for the FAFSA twice if they're planning on graduating a semester early? Should they apply for that Spring semester of aid, then apply for the full academic year after that?

11:24:17 From Ashley Vinson Prince : What about trans students?

11:27:46 From Megan Kirk : I think this is used in TN

11:40:58 From Brittney Schaffer : I feel like this confusion comes from 50/50 custody agreements

11:43:30 From Stephen Garman : Great point! Formal custody arrangements may differ from actual living situation. The FAFSA is concerned with the latter.

11:53:20 From Ashley June Moore : FAFSA Completion Project: <https://dhewd.mo.gov/fafsa-completion/>

11:54:21 From Ashley June Moore : MASFAP HS Counselors Info: <https://www.masfap.org/high-school-counselors>

11:55:57 From Laura Winter : <https://myscholarshipcentral.org/>

11:56:02 From Marvin Bullard : Thank you!

11:56:04 From Janell Kim : Thank you!

11:56:05 From Brittney Schaffer : Thank you!

11:56:08 From Laura Winter : Videos for families and students:

11:56:09 From Laura Winter : Federal Student Aid has a youtube channel with many helpful videos <https://www.youtube.com/user/FederalStudentAid>

11:56:26 From Kingsley Tony-Egbuniwe : Thank you!