The first step to finding the money you need for college

Completing the FAFSA®

November 12, 2025

Today's agenda

- Timeline and deadlines
- Getting started
- Naming conventions and considerations
- Financial aid programs
- Free tools and resources

Key FAFSA® tips for students

Helpful tips available at sallie.com/financial-aid/fafsa

Don’t assume you aren’t eligible for aid because your family’s income is too high, or you have too much in savings. Aid eligibility is based on several factors, not just income and savings!

- Submit your FAFSA® as soon as possible!
- Almost every student is eligible for some form of financial aid.
- The FAFSA® must be filed every year a student is in college.
- Remember: Financial aid deadlines aren’t the same as college admission deadlines.

Getting started

FSA Account (often called an FSA ID) and Multi-factor authentication (MFA)

FSA Account for the student and parent(s)

- This acts as an electronic signature for Federal Student Aid documents, including the FAFSA®
- Apply for your FSA Account at studentaid.gov
- Full name, social security number, and date of birth are needed.

***New!* Users can now create an FSA Account and complete the FAFSA® in the same session!**

Multi-factor authentication (MFA)

- Also referred to as two-step verification
- Users will need to provide a secure code obtained via text, email, or an authentication app
- Once MFA is set up, user will be presented with a backup code

Alert: Backup code will only be given once!

Sources: https://studentaid.gov/help/info-needed and https://studentaid.gov/help-center/answers/article/choose-between-an-authenticator-app-text-email

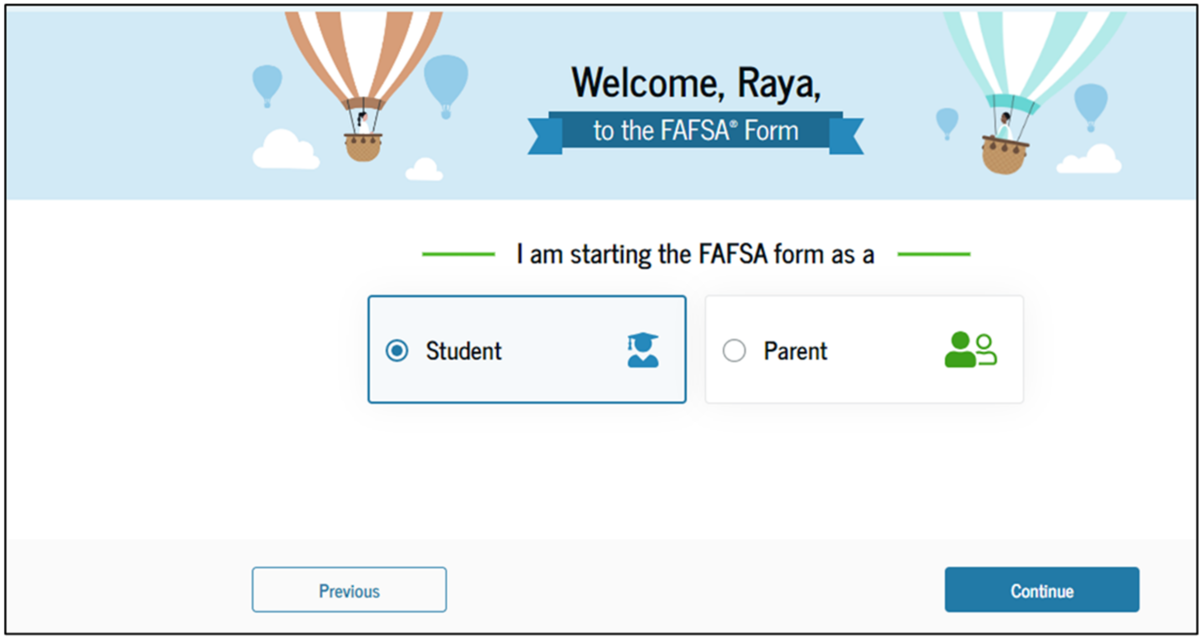
Additional information needed from student and parent

- Social Security Numbers or Alien Registration Number (if you aren't a US Citizen)
- Records of money earned if you are a non-tax filer
- Current bank statements and investment records (if applicable)
- Records of untaxed income (if applicable)
- Email address and/or mobile phone number
- List of colleges to receive the FAFSA® information (up to 20 schools)

What's no longer needed? Student and parent tax returns. All of this information will automatically be accessed from the IRS through the FUTURE Act Direct Data Exchange (FA-DDX)

Sources: https://www.salliemae.com/college-planning/financial-aid/fafsa/ , https://studentaid.gov/help/info-needed and https://www.congress.gov/bill/116th-congress/house-bill/5363/text

Identify your role



All users will be required to provide consent for their financial information to be accessed by the U.S. Department of Education from the IRS – including non-tax filers. No index number will be calculated if authorization is not given.

Dependent or independent?

Students are considered independent if they:

- Are married
- Pursuing a graduate or professional degree
- Birthdate (24 years old or older)
- Have dependents who receive their support
- Are active-duty military or veteran
- Are an orphan, in foster care, or a ward of the court
- Emancipated minor (subject to your state's law)
- Are in legal guardianship
- Are homeless or at risk of homelessness

Students are considered dependent if they:

- Do not meet any if the independent student criteria

Note: Independent students do not have to report parent data

Source: https://studentaid.gov/apply-for-aid/fafsa/filling-out/dependency

Who is considered a parent?

- Biological or adoptive parent(s), and certain step-parents.
- Include both parents if parents are married or are not married but live together.
- If separated but living together, select "Married".
- In the case of divorce or separation, provide information only about the parent that provided the majority of financial support in the last 12 months, and step-parent if that parent is remarried.

Still need help?
Visit studentaid.gov/fafsa-apply/parents for more guidance

Reporting your assets

Assets not included on the FAFSA®:

- Primary Home
- Retirement Savings (Pensions, Annuities; 401(k))
- Small Business Assets
- Personal Possessions (Car, Furniture, Clothes, etc.)
- Family Farm Assets

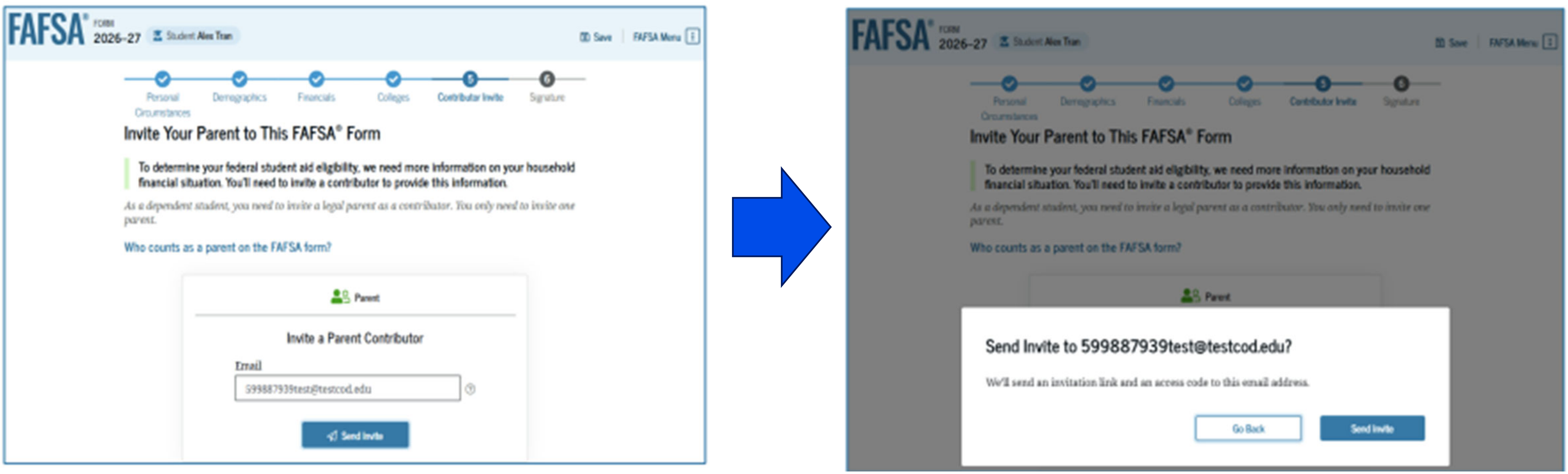
Assets you must include on the FAFSA®:

- Vacation Home and/or Investment Property
- College Savings Accounts
- Stocks and Bonds

Source: https://www.congress.gov/bill/119th-congress/house-bill/1/text

Contributor Invite Process

Parent email address is now the only parental info needed for invite



https://fsapartners.ed.gov/sites/default/files/2025-08/2627FAFSAPreviewPresentation.pdf

What happens after the FAFSA® is submitted?

- Students will receive a FAFSA® Submission Summary within a couple of days of submission.
    - Gives you basic information about your eligibility for federal financial aid.
    - ***Does not*** include any financial information.
- Colleges included on your FAFSA® will receive the data electronically.
- Colleges may request additional documentation or information, such as tax data, through a process called Verification.
- Colleges will use the Student Aid Index (SAI) number to determine aid types and amounts,and send out financial aid offers.

Sources: https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2023-03-27/notice-draft-2024-25-federal-student-aid-application-materials and https://www.regulations.gov/document/ED-2023-SCC-0053-0003

Frequently used terms and formula considerations

Student Aid Index (SAI) number

- This number reflects the output of the FAFSA® formula, not a reflection of what a family can or will pay
- SAI an be reflected as a negative number as low as -1500

Key considerations

- Family size is based on the number of people claimed on the federal tax return
- The number of family members enrolled in college is no longer part of the federal formula

Sourcehttps://www.congress.gov/bill/116th-congress/senate-bill/2667/text

Special circumstances

Contact the financial aid office if there are circumstances which affect your ability to pay for college, such as:

- Significant loss or reduction in parent/student income or assets
- Death or serious illness
- Natural disasters affecting parent/student income or assets
- Medical/Dental expenses not covered by insurance
- Financial responsibility for elderly grandparents

What are grants?

- Grants, which do not require repayment, are
  - Typically awarded annually based on information provided on the FAFSA®.
  - Offered by numerous sources, such as federal and state governments, colleges, and independent organizations.

- Federal grant programs:
  - Federal Pell Grant*
    - Need based
    - Awards up to $7,395 for 2025-26 and are awarded to all who qualify

  - Federal Supplemental Educational Opportunity Grant (FSEOG)*
    - For students with exceptional financial need
    - Awards of $100-$4,000 on a first come, first served basis

*Sources: https://studentaid.gov/understand-aid/types/grants/pell and https://studentaid.gov/help-center/answers/article/how-much-money-can-i-get-fseog

Scholarship resources

There are many resources for scholarships:

- Local or community-based scholarships
- Federal and state agencies
- College-specific scholarships offered by the colleges your students are interested in attending
- Religious organizations
- Employers
- Libraries
- Private organizations or major companies
- Online search engines that aggregate scholarship offerings and allow users to be matched to scholarships based on a personal profile

Federal Direct Subsidized and Unsubsidized loans for undergraduate students

Loan type	Interest rate (7/1/2025-6/30/2026)	Fee (10/1/2020-9/30/2026)
Subsidized	6.39% Fixed	1.057%
Unsubsidized	6.39% Fixed	1.057%

- Undergraduate borrowing limits:
  - $5,500 first year
  - $6,500 second year
  - $7,500 third and final years
  - $31,000 aggregate maximum
- FAFSA® is required
- Six-month grace period after leaving school, graduating, or dropping to less than half-time enrollment
- Flexible repayment options with terms of up to 10-25 years
- Loan forgiveness options and income-based repayment
- Military members may be eligible for special interest benefits regarding their federal loans

SOURCE: https://studentaid.gov

Federal Direct Parent PLUS Loans

Interest rate (7/1/2025-6/30/2026)	Fee (10/1/2020-9/30/2025)
8.94% Fixed	4.228%

Loan that allows the parent of a dependent undergraduate student to borrow funds to cover the remainder of what a student owes after financial aid is applied.

- FAFSA® required
- The parent is the borrower for the life of the loan
- Students must be enrolled at least half time
- Generally, is paid back over a 10-year period
- If parent applies and is not eligible, a dependent undergraduate student may receive an additional $4,000 unsubsidized loan
- $20,000 maximum annual amount (per student)
- $65,000 maximum lifetime amount (per student)

SOURCE: https://studentaid.gov

Private student loans

Private student loan rate example*	
APR	Fee
Variable: 4.37% - 16.99% Fixed: 2.89% - 17.49%	0% typically

Loans funded by banks, credit unions, or other financial institutions based on the credit of the applicant and/or cosigner.

- Borrower is the student, and if necessary, cosigner
- FAFSA® not required
- Repayment period can range from 5 – 20 years
- Offer a variety of in-school repayment options that include:
  - Immediate repayment (pay now)
  - Deferred repayment (pay later)
  - Fixed repayment
  - Interest repayment
- Cosigners may help increase the chance of approval and may help the student get a better rate
- Terms and costs vary widely between lenders
- Private student loans may help a student build credit – especially if scheduled to make payments while in school

* Based on an 10/1/2025 review of national private loan programs offered by Sallie Mae and its publicly-traded competitors.

Free tools and resources

To continue your college bound journey

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Scholarships by sallie

sallie.com/scholly

FAFSA® Guide
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Questions?