

BY THE NUMBERS

The basics about financial aid

By Betsy F. Woolf

If you're a lucky parent, your child has finished applying to college and even may have a few acceptances in hand. Now it's your turn to fill out forms – that is, if you're applying for financial aid. Read on to learn what to do and how to do it.

How do we figure out how much a particular college will cost?

The term of art is Cost of Attendance or COA. The items that comprise COA are tuition, fees, room and board, books and supplies, transportation, personal expenses (such as laundry and entertainment) and other costs like special lab fees, purchasing a computer, materials fees for art students, etc.

How do colleges determine how much our family should be able to pay for college?

Families must complete one or more financial aid forms: the FAFSA (Free Application for Federal Student Aid); the CSS/Financial Aid PROFILE; and/or other college-specific financial aid applications. Based on your entries, a calculation is made as to the amount your family will be expected to pay. It's called the Expected Family Contribution or EFC. The difference between the COA and your EFC is your financial need. In arriving at the EFC, parental income and assets, as well as

student income and assets are considered. To get an estimate of your family's EFC, you can use the EFC calculators on the web at <http://www.finaid.org/calculators/finaidestimate.phtml> and http://apps.collegeboard.com/fincalc/efc_welcome.jsp.

What's the difference between the FAFSA and the CSS PROFILE?

The FAFSA calculations are based on a federal financial aid formula. The PROFILE is used by about 300 private colleges and universities to determine eligibility for non-government aid.

The FAFSA is free. The PROFILE is not.

The FAFSA asks the same questions no matter where the student is applying. The PROFILE is customized to the school.

The FAFSA and the PROFILE determine need differently. The PROFILE is longer and more detailed. It takes into account additional factors such as whether you own a home; whether there are younger siblings who attend private school; medical and loan expenses; and even your 401k.

The FAFSA only requests information from a custodial parent. The PROFILE seeks information from a non-custodial parent, as well.

What do we do if a school accepts a FAFSA only but we have other children in private school?

You can write a letter to a college financial aid office and request that these expenses be taken into account, but the decision is discretionary. The same holds for other special circumstances that deplete your savings.

Who fills out the forms?

Actually, it's the student. So be careful to fill in the student's name, not yours. And don't get tripped up by question 16 on the FAFSA. The question asks about the student's marital status, not the parents'.

When do we file these forms?

That's where it gets tricky. You can't file the FAFSA before January first of your child's senior year of high school, and although there is a FAFSA deadline, many colleges establish their own FAFSA filing deadlines, even as early as mid-January. You can submit the PROFILE in the fall of senior year. It's important to check each college's deadlines.

How can we submit the FAFSA forms if our W-2s are not received yet?

You can rely on your last pay stubs and any final asset reports for the year-end. When you receive your W-2s, you can update with corrected information, if necessary.

Where can we find these forms?

FAFSA is on the web at www.fafsa.ed.gov. The PROFILE is online at www.collegeboard.com. Online filing yields a faster response. You *and your child* should apply for U.S. Department of Education PIN numbers at www.pin.ed.gov so you can electronically sign the FAFSA. Use of the PROFILE requires registering and selecting a username and password.

What happens after we file? The US Department of Education furnishes a Student Aid Report (SAR) that includes the federal government's determination of your EFC. The PROFILE furnishes a Data Confirmation Report for each school. Check for discrepancies or errors in these reports.