



## **Mt. SAC Cash for College: Saturday, October 17, 2020 Q&A**

### **1. Can I apply to both DREAM and FAFSA?**

- a. No. The Free Application for Federal Student Aid (FAFSA) and California Dream Act Application (CADAA) are both applications to receive financial aid. Students should only complete **one** of the applications – not both – according to the following citizenship requirements:

You are eligible to complete the FAFSA if you are a: US citizen; permanent resident; eligible non-citizen; and/or T visa holder

You are eligible to complete the CADAA if you: are undocumented; have a valid or expired DACA status; are a U visa holder; have Temporary Protected Status (TPS); and/or meet the non-resident exemption requirements under AB 540.

### **2. What if my parents are worried about providing their private information on my financial aid application?**

- a. Their information is safe. Student and parent information is protected by the same privacy and information security laws and safeguards. Your FAFSA information is not shared with anyone except the schools you list (so they can use the information to award financial aid to you) and a few federal and state government agencies **ONLY** so they can check to be sure you've reported your information accurately or can assess your information to see what financial aid they could offer you.

### **3. What if I don't live with my parents?**

- a. You still must answer the questions about them if you're considered a dependent student.

### **4. What if my parents aren't going to help me pay for college and refuse to provide information for my FAFSA or CA Dream Act Application?**

- a. You can't be considered independent of your parents just because they refuse to help you with this process. If you do not provide their information on the FAFSA or CA Dream Act, the application will be considered "rejected," and you might not be able to receive any federal student aid. The FAFSA or CA Dream Act will tell you what to do if you are in this situation. You also will need to speak to the financial aid administrator at the college or career school you plan to attend.

### **5. What if I have no contact with my parents?**

- a. If you don't know where your parents live, or you've left home due to an abusive situation, fill out the FAFSA or CA Dream Act and then immediately get in touch with the financial aid office at the college or career school you plan to attend. The financial aid administrator will tell you what to do next. Don't put this off or you might miss financial aid deadlines.

**6. Do the Parents and the students apply or is it one application with Parent and student sections?**

- a. The student will complete one financial aid application (either a FAFSA or CA Dream Act Application). If you are required to report parental information, your parent(s) will report their information on the appropriate parent sections of your FAFSA or CA Dream Act Application.

**7. Which parent's information should I report on the FAFSA or CA Dream Act Application?**

- a. Unless otherwise noted, "parent" means your legal (biological and/or adoptive) parent or your stepparent. In addition, the rules below apply to your legal parents regardless of their gender.
  - If your parents are living and legally married to each other, answer the questions about both of them.
  - If your parents are living together and are not married, answer the questions about both of them.
  - If your parent is widowed or was never married, answer the questions about that parent.
  - If your parents are divorced or separated and don't live together, answer the questions about the parent with whom you lived more during the past 12 months. If you lived the same amount of time with each parent, give answers about the parent who provided more financial support during the past 12 months or during the most recent year that you actually received support from a parent.
  - If your parents are divorced but live together, you'll indicate their marital status as "Unmarried and both parents living together," and you'll answer the questions about both of them.
  - If your parents are separated but live together, you'll indicate their marital status as "Married or remarried," and you'll answer the questions about both of them.
  - If you have a stepparent who is married to the legal parent whose information you're reporting, you must provide information about that stepparent as well.
  - The following people are not your parents unless they have adopted you: grandparents, foster parents, legal guardians, older brothers or sisters, and uncles or aunts

**8. What's an FSA ID?**

- a. The FSA ID is a username and password for FAFSA applicants only; you can use your FSA ID to log in to U.S. Department of Education (ED) online systems. The FSA ID is your legal signature and shouldn't be created or used by anyone other than you—not even your parent, your child, a school official, or a loan company representative. You'll use your FSA ID every year you fill out a Free Application for Federal Student Aid (FAFSA®) form and for the lifetime of your federal student loans.

**9. How do I get an FSA ID?**

- a. Visit [StudentAid.gov/fsa-id/create-account](https://StudentAid.gov/fsa-id/create-account) to create an FSA ID. You'll need your Social Security number, full name, and date of birth. You'll also need to create a memorable username and password, and complete challenge questions and answers so you can retrieve your account information if you forget it. You'll be required to provide either your email address or your mobile phone number when you make your FSA ID.

Providing a mobile phone number and/or email address that you have access to will make it easier to log in to ED online systems and allow additional account recovery options. Important: A Social Security number, email address, and mobile phone number can only be associated with one FSA ID. If you share an email address with someone else, then only one of you will be able to use that email address to create an FSA ID.

**10. What if my parent or I forgot our FSA username and/or password?**

- a. If you forget your FSA ID username or password, look for the “Forgot My Username” and “Forgot My Password,” links on log-in pages. These links will direct you to web pages where you can request a secure code to be texted to your verified mobile phone number or emailed to your verified email address. The secure code will allow you to retrieve your username or reset your password. You can also retrieve your username or reset your password by successfully answering your challenge questions. Remember: If you verified your email address or mobile phone number during account creation, you can enter your email address or mobile phone number instead of your username to log in.

**11. Do parents and students each complete a separate ID?**

- a. Yes. Because your FSA ID is equivalent to your signature, parents and students each need to create their own FSA IDs using their own email address and phone number. Parents should not create an FSA ID for their child and vice versa. If you are the parent of more than one dependent student, you will use your existing FSA ID to sign each child’s FAFSA.

**12. Is there any advantage in submitting the FAFSA early?**

- a. Yes! If you do your FAFSA or CA Dream Act early, you’ll have a better chance at more federal and state financial aid or school financial aid. The most important deadline for Cal Grants is March 2. Be sure you submit your FAFSA or CA Dream Act and your verified Cal Grant GPA by the March 2 deadline. Additionally, some colleges award their aid on a first-come, first-serve basis. If you wait too long, the school’s available financial aid may have been awarded to other students that did their application sooner.

**13. If I want to apply to more than ten colleges, what should I do?**

- a. You can list up to 10 colleges on your FAFSA. Once you receive your Student Aid Report (SAR), you can make the information available to more than 10 colleges through one of the options listed below. Each option will allow the college to receive an electronic copy of your SAR, and you will also receive an updated SAR.

Option 1: Click Log In on the home page and log in to your FAFSA account. You will be given the option to Make FAFSA Corrections. Remove some of the colleges listed on your FAFSA, add the additional school codes, and submit the corrections for processing.

Option 2: Call the Federal Student Aid Information Center and have them add the colleges for you: 1-800-433-3243.

Note: If there are 10 colleges on your FAFSA, any new school codes that you add will replace one or more of the school codes already listed. When this change is made, any college removed from the list will not have automatic access to any new information

you provide after you've removed that college. However, the college will still have the data you submitted when you listed that college on your FAFSA form. You are not deleting your FAFSA information from the college's system.

**14. Is the UC system consider 1 school or are they counted individually?**

- a. Each individual school is listed individually, including UC schools.

**15. What is the state of legal residence?**

- a. The state of legal residence is where you reside and have a true, fixed, and permanent home. Select your current state or country of legal residence. Select "Foreign Country" if your legal residence is in a foreign country. This is question is not related to a student and/or parent's citizenship status.

**16. What is EFC?**

- a. The information you report on your financial aid application is used to calculate your Expected Family Contribution (EFC). It's very important to note that the EFC is not the amount of money your family will have to pay for college. Instead, the EFC is an index number used by financial aid offices to calculate your financial need. The formula they use is:

Cost of attendance – Expected family contribution = Your financial "need".

Each school will do its best to meet your financial need it just depends on the school and the financial aid they have available that year. You should complete the FAFSA form annually because there are many factors that can change from year to year.

**17. What if my work or financial situation has changed since last year or since 2019?**

- a. We understand that some families' income may have changed significantly since the 2019 tax year. If this is the case for you, you must complete the FAFSA or CA Dream Act with the info it asks for (2019). Then, after filing your FAFSA or CA Dream Act, contact the financial aid office at the college or career school you plan to attend to explain your situation if there will be a significant change in your or your parent's income for the present year or if your family has other circumstances that cannot be reported on the FAFSA or CA Dream Act form. The school has the ability to assess your situation and make adjustments to your FAFSA or CA Dream Act.

**18. What if there's no tax information from 2019?**

- a. You or your parent(s) are not required to file a return if your or your parents' income is below the minimum amount to file taxes; in this case you can choose the option "Will not file" when you complete your financial aid application. Additionally, if you or your parent(s) earned income but were not required to file, you will need to report the total amount in working wages in the appropriate question.

**19. Do we need to report our retirement accounts as assets?**

- a. Generally speaking, no. Retirement savings don't have to be reported as an asset on FAFSA or CA Dream Act, but only if the money is in a qualified account. Qualified retirement accounts include an IRA, 401(k), 403(b), or pension plan. Unfortunately, a brokerage account is not on that list, so you'll need to report it as an investment. You can't leave an asset off the aid application simply because you intend it for retirement.

**20. Do we report assets as of the last day of 2019 or the day we are applying to the FAFSA application?**

- a. Assets must be reported on the FAFSA as of the date the FAFSA is filed. In practical terms, this usually requires reporting the net worth of the asset as of the most recent bank and brokerage account statements.

**21. What does net worth mean?**

- a. Net worth means the current value, as of today, of investments, businesses, and/or investment farms, minus debts related to those same investments, businesses, and/or investment farms. When calculating net worth, use 0 for investments or properties with a negative value. Investments include real estate (do not include the home in which you live), rental property (includes a unit within a family home that has its own entrance, kitchen, and bath rented to someone other than a family member), trust funds, UGMA and UTMA accounts, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, installment and land sale contracts (including mortgages held), commodities, etc. Investments also include qualified educational benefits or education savings accounts (e.g., Coverdell savings accounts, 529 college savings plans and the refund value of 529 prepaid tuition plans).

**22. Do you report your primary home as an asset or must it be reported as net worth?**

- a. No. You do not include the home in which you live in.

**23. What are assets you must report on FAFSA or CA Dream Act?**

- a. Your reportable assets include bank and brokerage accounts, CDs, stocks, bonds, mutual funds, money market accounts, college savings plans, trust funds, real estate, and other investments.

**24. What are assets you can leave off the financial aid application?**

- a. Your non-reportable assets include the equity in your family home, qualified retirement plan accounts (including pensions, annuities, IRAs, 401(k) plans, and similar accounts), and any small businesses owned and controlled by your family.

**25. Do we report total income before or after taxes?**

- a. Use the information from your Form W-2s to report **income** earned by the student and parents.

**26. I have two W-2 forms, which do I report?**

- a. You will need to report the total income earned from work for 2019. If you or your parent(s) worked for multiple employers at the same time, or for different employers at various times throughout 2019, you may have multiple W-2s, all of which must be included when calculating your income earned from work.

**27. Is credit card debt considered?**

- a. Most forms of consumer debt, including auto loans and credit card debt, are ignored or not reported on your financial aid application. Loans are considered only if they are secured by an asset that is reported on the FAFSA. You will not get more student aid because of your debt or be penalized for having debt.

**28. I have shared custody of my son with my ex-husband. We alternate years on claiming my son on our taxes. In 2019, my son lived with me more but his dad claimed him on his taxes. In 2020 I will claim my son. What information should I put on the FAFSA?**

- a. If your parents are divorced or separated and don't live together, answer the questions about the parent with whom you lived more during the past 12 months regardless of who claimed the student on the 2019 tax return. If you lived the same amount of time

with each parent, give answers about the parent who provided more financial support during the past 12 months or during the most recent year that you actually received support from a parent.

**29. Can we include grandparents in the household size?**

- a. Grandparent(s) may be included in household size on the FAFSA only if your parents provide more than half her support and will continue providing more than half her support during the award year. To determine your parents' household size, include:  
yourself;  
your parent(s);  
your parent(s)' other children (other than yourself and even if they don't live with your parents) who will receive more than half of their support from your parents between July 1, 2021, and June 30, 2022; and  
other people who aren't your parents' children but who live with your parents and receive more than half of their support from your parents and will continue to receive more than half of their support from your parents between July 1, 2021, and June 30, 2022.

**30. All of my income are nontaxable. Do I report those amounts or report as \$0 since they are nontaxable?**

- a. Certain types of untaxed income are counted by the federal need-analysis formula despite not being included in adjusted gross income. To determine what you need to report here, remember to click the "?" on the FAFSA on the Web or the mobile app. If any of the untaxed income and benefits apply to you, please enter the amount as appropriate. Untaxed income may or may not apply to you; they include things like child support received, interest income, and veteran's non-education benefits.

**31. Do I need to report mine or my parent(s)' Supplemental Security Income (SSI) or Social Security Disability Income (SSDI) on my financial aid application?**

- a. No; untaxed Social Security benefits are not reportable income for FAFSA purposes.

**32. Are there any exceptions or benefits to the student if the parent is still paying his/her student loans?**

- a. No. Generally speaking, there are no exceptions or benefits to a student if the parent is paying on his/her student loan. This factor does not contribute in a student's financial aid eligibility.