File your 2016-17 FAFSA Now!

Even though March 1st was the priority FAFSA date, you should still file your FAFSA as soon as possible. Why? Because certain types of aid are limited, typically state and institutional grants. So even if you (or your parents if you are a dependent student) haven’t completed your 2015 tax returns yet, you can file your FAFSA now to be considered for aid and then update with your actual tax information later, once your taxes have processed.

Why set a priority date?
Most schools set a priority date in order to guarantee that any student who submits their FAFSA prior to that priority date will receive the maximum amount of aid they qualify for. State and institutional aid is limited. For state grants, each school is typically given a “pot” of money. When the pot runs out, any students yet to be packaged miss out on this award. Institutional funding like the Federal Supplemental Opportunity Grant (FSEOG) is another grant where funds are limited by contributions from the U.S. Department of Education.

If I missed the priority date, should I bother to file early?
Setting a priority date isn’t an exact science. Depending on the eligible students who file their FAFSA, certain state grants may run out sooner than institutional grants or vice-versa. So even if you don’t file your FAFSA by March 1st, you should file as soon as possible after that date. Sometimes you might be on a “wait-list” for certain funds. If that’s the case and more funds become available, they go to the students who filed as close as possible to the priority date and down the line.

Ok, I filed, now what?
If your FAFSA is selected for verification, we will send you a letter letting you know what documentation we need before we can award your Financial Aid. We will also send follow-up emails/postcards as reminders. Submitting those documents as soon as possible prevents delays.

Now you get to relax and let the Financial Aid office do the work. As of March 1st, our office has received over 1,000 FAFSA records. That’s a lot to process! This time of year you can expect to receive your award anywhere between 3-7 weeks from the date you file your FAFSA and have submitted any requested verification documentation.

Have FAFSA questions? Stop in, call or email us!
Business Office News

Is your student account up-to-date?
Please review your student account information in IOL to make sure your account is either paid in full or you are on a payment plan equal to your current balance due. Registration time is right around the corner and your student account must be in good standing to register.

Refund Checks
Refund checks are in the process of being mailed to students. Refunds will be issued within 14 days of the credit balance appearing on your account. All refunds will be mailed to the current address on file – no exceptions. Please cash this check as soon as possible, but no later than 120 days after receiving the check. If you do not cash it in 120 days, depending on the funding source of the refund, your check may be cancelled and the funds returned to the appropriate funding source.

Please note that if this credit is due to a Parent PLUS loan, the check will be mailed directly to the parent.
If you do receive refund checks, and you borrowed loans (which almost all students do), the refund check you receive is additional loan money, that you didn’t need to borrow to cover your school expenses. Did you know that you can save yourself a lot of money in the long run by canceling part or all of your loan? You can cancel your loan before it’s disbursed or within 120 days in order to save the most money. Just let our office know via email, phone, or in person.

For another great way to save yourself some money in the long run, please see the article on interest on the last page of this newsletter. And use the following link to see just how much you can save by reducing part of your unsubsidized loan. (Enter the amount you are reducing your loan by.)

It’s Not Too Early to Think Summer!
Registration for summer courses will be open before you know it! Thinking about taking a summer class or two? Read on for tips on using Financial Aid for summer.

The financial aid year runs from summer through spring, so summer 2016 begins the 2016-17 award year. If you would like to use financial aid for summer 2016, keep in mind that it may take away from aid you normally would have received in spring 2017.

Most students prefer to receive their maximum financial aid eligibility during Fall and Spring when total tuition costs tend to be higher, therefore Alverno does not automatically package loans for students who are taking summer classes. If you are interested in receiving loans for summer courses, please fill out the 2016 Summer Planning Form so we can help create the best package for your situation.

In order to be eligible for loans, you must be enrolled for at least 6 credits in the summer term.

If you are eligible for Federal Pell Grant, you will be packaged with Pell for any amount of credits, however please keep in mind if you are attending full-time in Fall/Spring, you will receive a reduced Pell award in Spring. If you would prefer to pay for summer out of pocket and save your Pell for Fall/Spring, simply notify our office in writing (emails accepted).

Questions? More information can be found on our website. Otherwise, please feel free to contact us with further questions.
How INTEREST-ing...

If you haven’t created your SALT account yet, you are missing out on some of the best financial advice out there geared toward students like you. Alverno signed up to be a SALT school to give you a variety of resources on finances. These resources include a toll-free number you can call about your student loans, blog articles, budgeting tools, an app to help you “FixX” your spending and even free tutorials to help you learn how to manage your money. What lesson in life is more valuable than learning how to manage your money well?

One question that we get all the time in our office is asking about the difference between a Subsidized Stafford Loan and an Unsubsidized Stafford Loan. Take a closer look at your most recent award letter; you probably were awarded one of each (more details about the loan programs and eligibility here).

The difference between the Subsidized and the Unsubsidized loan is how the interest adds up on these loans over time. The Subsidized loan does not accrue interest the entire time you are enrolled at least half-time. What a nice savings!

But did you ever stop to think how interest works? SALT has an infographic here that explains interest in a nutshell.

The interest rate on your Stafford loans is a fixed rate for the life of the loan and the interest rate changes each year. The interest rate for undergraduate Stafford loans for the 2015-2016 award year is 4.29%.

If you are taking out an Unsubsidized loan, you can save yourself a lot of money in the long run by paying off the interest while you are in school. Even paying $20-$50 a month in interest can save you thousands of dollars in the long run. Get your current loan totals at nslds.ed.gov. Then, do your own calculation using this Interest Savings Calculator.

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STAFF PROFILE

Meet the hard-working student employees of the Financial Aid and Business Office! (from L to R)

Samantha—Samantha is a biology major graduating in 2017 who has a black belt in Karate!

Leah—Leah is a sociology major expected to graduate in 2019 who plays softball for Alverno.

Carissa—Carissa is a molecular biology major graduating in 2018 who loves to bake and cook. She wanted to study food science so that she could make her own creations.

Abby—Abby is a double major in chemistry and math graduating in 2017. She loves card games including gin, rummy, speed and phase 10!

SCHOLARSHIP SPOTLIGHT

Great Lakes National Scholarship—$2,500

Applicant must plan to enroll full-time for the entire 2016-17 academic year.

Applicant must be a U.S. citizen or permanent resident.

Applicant must be able to demonstrate financial need.

Applicants must be enrolled in one of the following eligible majors:

› Math
› Natural science
› Physical science
› Biological/agriculture science
› Engineering/engineering technology
› Computer/information science

*For application and additional information, please see: scholarsapply.org/greatlakes/

Deadline: April 6, 2016
Changes Impacting the 2017–18 FAFSA®
Frequently Asked Questions (FAQs)

**What is the Free Application for Federal Student Aid (FAFSA®) and how is it changing?**

The FAFSA® is the application that students must complete to apply for federal student aid, which can be used to attend an eligible college or career school. Federal student aid includes Federal Pell Grants, federal student loans, and work-study opportunities. In addition to determining eligibility for federal student aid, many states, private organizations, colleges, and career schools rely on information from the FAFSA to determine eligibility for nonfederal sources of aid.

Two major changes to the FAFSA will take effect for the 2017–18 school year. (The 2017–18 school year runs from July 1, 2017, through June 30, 2018.)

1. The FAFSA will be available earlier (October 1 of the previous year instead of January 1 of the upcoming school year).
2. The FAFSA will collect income information from an earlier tax year.

Here’s a table with a summary of the changes. You’ll find details below the table.

<table>
<thead>
<tr>
<th>When a Student Is Attending College (School Year)</th>
<th>When a Student Can Submit a FAFSA</th>
<th>Which Year’s Income Information Is Required</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>July 1, 2017–June 30, 2018</strong></td>
<td><strong>October 1, 2016–June 30, 2018</strong></td>
<td><strong>2015</strong></td>
</tr>
</tbody>
</table>

1. **The FAFSA will be available earlier.**
   Currently, students cannot complete a FAFSA for the upcoming school year until January 1. For example, for the 2016–17 school year, an applicant cannot complete a FAFSA until Jan. 1, 2016. Beginning with the 2017–18 school year, applicants will be able to complete a FAFSA as early as October 1 of the previous year. (See table.)

2. **The FAFSA will require information from an earlier tax year.**
   The second major change also begins with the 2017–18 FAFSA cycle. Currently, in addition to other information, FAFSA applicants (and their parents, if applicable) must report the prior year’s income information. For example, for the 2016–17 school year, applicants must report income information for 2015—the tax year before the beginning of the school year. Beginning with the 2017–18 FAFSA, students will report income information from two years prior, which in this case is 2015 income information—two tax years before the beginning of the school year. (See table.)
How will an earlier FAFSA and the change to the income year benefit students?
Benefits include the following:

- Alignment. The financial aid application process will be more aligned with the college application process.
- Certainty. Students (and their parents, if applicable) will not need to estimate income information.
- Less pressure. There will be more time for students to explore and understand financial aid options and apply for aid before state and school deadlines.

Will colleges change their financial aid processing timelines due to the FAFSA being available earlier?
Whether a college changes its financial aid processing timelines when the FAFSA becomes available on October 1 is a decision that each college will make. Students should contact their schools to determine whether the schools will adjust their processing timelines once the FAFSA is available earlier.

Do students still have to complete the FAFSA every year?
Yes. Because eligibility for federal student aid does not carry over from one school year to the next, students will need to fill out the FAFSA for each school year in which they plan to be a student. Eligibility for financial aid can differ from year to year for various reasons, including a student’s or family's financial situation and the number of family members enrolled in college.

Do families need to complete their taxes before they fill out the FAFSA?
No. If students (and their parents, if applicable) are required to file taxes, they do not have to complete their taxes before they fill out the FAFSA. Considering that many state and college FAFSA deadlines fall before the April 15 tax deadline, applicants have been allowed to provide estimated income information. Example: The 2016–17 FAFSA will ask for 2015 income information. If applicants estimate income, they will need to log back in to the FAFSA once their 2015 taxes are complete and correct any information that needs to be corrected.

Beginning with the 2017–18 FAFSA, students will report income information from two years prior, which in this case is 2015 income information. Considering that the 2015 tax filing deadline is April 15, 2016, and the 2017–18 FAFSA will become available on Oct. 1, 2016, applicants are very likely to have completed their taxes before October 1, and the tax information would be available to be reported on the FAFSA.

How does information transfer from the IRS to the FAFSA?
The IRS Data Retrieval Tool (DRT) allows applicants (and their parents, if applicable) to access the IRS tax return information needed to complete the FAFSA, and transfer the required information directly into the FAFSA from the IRS. The FAFSA includes a link to the IRS if an applicant is eligible to use the IRS DRT.

Can a student still be selected for verification if he or she is using 2015 income information on his or her 2017–18 FAFSA?
Yes. A student can be selected for verification by either the U.S. Department of Education or by the student's school. Verification is a process by which a student is required to submit documentation that the data reported on the student’s FAFSA is accurate. The financial aid administrator at a student’s college may make corrections or updates to the student’s FAFSA based on the documentation provided as part of the verification process.

U.S. Department of Education; September 2015
Find Free Money For School With Scholarship Search

Scholarships allow you to cover education costs for free. Find awards you qualify for based on your hobbies, interests, academic background, and more with the SALT scholarship search engine.

SALT® is a free and unbiased nonprofit-backed financial education program dedicated to giving students like you the money knowledge you need for college and beyond.

SIGN UP AND GET STARTED AT saltmoney.org/scholarshipsearch

@SALT_Money /saltmoney saltmoney.org

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