



USA FRANCE
FINANCIALS GROUP



What is FAFSA?

Morgane WOJTOWICZ
Registered Representative
Financial Advisor



The Free Application for Federal Student Aid (FAFSA) is a form completed by current and prospective college students in the United States to determine their eligibility for financial aid. Administered by the U.S. Department of Education, the FAFSA is the gateway to accessing public financial aid.

Purpose and Importance

The primary purpose of the FAFSA is to assess a student's financial need. By collecting detailed financial information about the student and their family, the form helps the government and educational institutions allocate financial aid resources effectively. Completing the FAFSA is crucial for students seeking financial support for their education, as it can significantly reduce the burden of college costs.

Eligibility for Financial Aid

Eligibility for federal financial aid is based on the financial information provided in the FAFSA. The main factors considered include the family's income, assets, and household size. The FAFSA calculates the Expected Family Contribution (EFC), which schools use to determine the amount of federal aid a student is eligible for.

FAFSA Limits and Loan Types

1. Direct Subsidized Loans: These loans are available to undergraduate students with demonstrated financial need. The federal government pays the interest on these loans while the student is in school at least half-time, during the grace period, and during deferment periods. For undergraduates, the borrowing limits are:

- \$3,500 for the first year
- \$4,500 for the second year
- \$5,500 for the third year and beyond

2. Direct Unsubsidized Loans: These loans are available to both undergraduate and graduate students regardless of financial need. Interest accrues on these loans from the time they are disbursed, and it is the responsibility of the student to pay the interest unlike the previous loan. The annual loan limits for unsubsidized loans are higher, with dependent undergraduates eligible to borrow:

- \$5,500 to \$7,500 per year (depending on the year in school)

How to Apply

1. Preparation: Gather necessary documents such as tax returns, W-2 forms, bank statements, and records of investments. Both the student and their parents (if applicable) will need to provide this information.

2. Create an FSA ID: Before starting the application, the student and one parent need to create an FSA ID, which serves as an electronic signature.

3. Complete the FAFSA: The form can be completed online at the [FAFSA website](https://studentaid.gov/h/apply-for-aid/fafsa) or via the myStudentAid mobile app.

4. Submit and Review: After submission, review the Student Aid Report (SAR) sent to the email provided. This report contains the information entered on the FAFSA and estimates the Expected Family Contribution (EFC).

Important Deadlines

The FAFSA form becomes available on October 1 each year for the following academic year. It's important to submit the form as early as possible since some financial aid is awarded on a first-come, first-served basis. The federal deadline for submission is June 30 of the academic year for which aid is being requested, but many states and colleges have earlier deadlines.

Conclusion

FAFSA is a critical tool for students seeking financial assistance for college. By understanding its components and following the application process carefully, students can maximize their eligibility for financial aid. For more detailed information, visit the official.

Sources:

- [Federal Student Aid - Official Site](https://studentaid.gov/)
- [FAFSA Overview](https://studentaid.gov/understand-aid/types)
- [FAFSA Deadlines](https://studentaid.gov/apply-for-aid/fafsa/fafsa-deadlines)
- [Pell Grant Information](https://studentaid.gov/understand-aid/types/grants/pell)
- [Federal Student Loans](https://studentaid.gov/understand-aid/types/loans)
- FAFSA website](https://studentaid.gov/h/apply-for-aid/fafsa)



Morgane WOJTOWICZ
Registered Representative
Financial Advisor



This material is intended for general public use. By providing this content, Park Avenue Securities LLC and your financial representative are not undertaking to provide investment advice or make a recommendation for a specific individual or situation, or to otherwise act in a fiduciary capacity. Future written communications may be in English only 7060318.1