

# WHAT PARENTS NEED TO KNOW ABOUT FAFSA

## Reminder for Parents

Help your child complete the FAFSA as soon as it becomes available every fall. By filing in a timely manner, you increase your chances of securing the maximum amount of aid for which you are eligible.



**The Free Application for Federal Student Aid (FAFSA) may sound like a complex document, but the form is shorter than ever, and it is important that students and their families complete it accurately!**

Helping your high school senior complete the form is one of the most important things you can do for your child's future. For many, filling out the FAFSA means the difference between going to college or professional/trade school and not going. With their parents' help, high school seniors can gain the education they need to secure a place in the world and fulfill their dreams. It can be filled out at FAFSA.gov once it launches, usually in the fall of each year.

## FAFSA Opens Doors for Students

The FAFSA determines students' ability to pay for their education and, thus, their eligibility for federal, state, and institutional grants, loans, and work-study opportunities. Eligibility information will be critical in helping you determine your ability to pay for their education. You and your child should fill out the FAFSA even if you think your child's grades aren't good enough (grades are NOT considered for federal aid) or your family income is too high (you may be surprised what you qualify for). The U.S. Department of Education awards more than \$150 billion annually in federal student aid (grants, work-study funds, and low-interest loans).

## What You Need to Know and Do

The FAFSA typically is available every fall, by October 1. The first step for both the student and at least one parent will be to set up an account by creating their own FSA ID (username and password) if they have not already done so at studentaid.gov/fsaid (select "Create an Account"). Your federal tax information will be considered in the parent section of your student's FAFSA application. You will be required to "Consent" - give permission - to the U.S. Department of Education and the IRS to transfer your federal tax information automatically into your child's FAFSA. You also may be required to provide information about assets. For more details, go to StudentAid.Gov/fafsa.

Stand By Me' is a partnership of the State of Delaware and United Way of Delaware.

The College Funding Project, a Stand By Me initiative, is funded by the Delaware Department of Education's Higher Education Office

# THE FAFSA MYTH BUSTER

**Don't let FAFSA myths hold you back! Discover the facts and unlock valuable grants, scholarships, and loans that can transform your child's future.**

**Myth: I can't afford to send my child to college or professional/trade school.**

**FACT:** It's possible to receive enough financial aid to pay for out-of-state institutions. The school may consider your child a good fit and offer enough financial aid to attend. You won't know until you file the FAFSA form.

**Myth: Only students with good grades qualify for financial aid.**

**FACT:** Most federal student aid programs are based on financial need, not grades. Private scholarships (outside or external scholarships) may consider grades and other factors, including leadership qualities, heritage, career choice, or place of residence.

**Myth: My spouse and I make too much money for my child to qualify for financial aid.**

**FACT:** Your income and assets are considered when applying for financial aid, but so is the cost of the institution your child applies to. The only way to know is to complete the FAFSA.

**Myth: My child can't file the FAFSA until I file my taxes.**

**FACT:** FAFSA can and should be filed online at FAFSA.gov as soon as possible after it becomes available each year in the fall. You will use the IRS tax forms for two years prior to the year your child will start college. (For example, if your child starts college in the fall of 2026, you will use the 2024 IRS Tax forms)

**Myth: My life savings or amount in home equity disqualifies my child from financial aid.**

**FACT:** The FAFSA factors in asset protection to ensure that your life savings are not depleted and tax-deferred retirement savings, e.g., 401(k) plans, are completely protected. Generally, parents, as contributors to their child's education, may be expected to contribute only a small percentage of their assets per year toward the cost of college. Furthermore, the FAFSA does not ask about home ownership, so home equity is not factored into eligibility for federal student aid.

**Myth: Students who could be considered as Independent Students based on FAFSA guidelines do not qualify as Independent Students when they are being claimed as dependents on a guardian's taxes.**

**FACT:** As long as the student meets one or more criteria to be an Independent Student, they will be identified as Independent.

**Reminder: Only biological or adoptive parents must include their financial information on FAFSA. Guardians, grandparents, siblings, aunts or uncles, etc., who house and/or care for students do not qualify as parents for FAFSA purposes and therefore do not include their information on the FAFSA.**

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