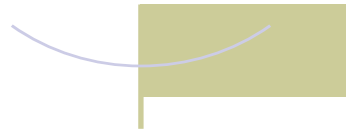




TIPS FOR FILING THE FREE APPLICATION FOR FEDERAL STUDENT AID



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Q & A on Filing the Federal Financial Aid Application

The federal government's Free Application for Federal Student Aid, the FAFSA, should be filed as soon after January 1 as possible in the year your child will be attending college. The reason is that some federal aid programs operate on a first-come, first-served basis, so filing the application early ensures your child has the best chance of receiving the most favorable aid package.

Here are some common questions and answers regarding the application process.

What documents will I need to fill out the FAFSA?

The FAFSA relies on financial information from your previous year's federal income tax return; for example, a FAFSA completed in 2012 will rely on information contained in your 2011 return. So the papers and statements you use to file your tax return are generally the same ones you would need to fill out the FAFSA, such as Social Security numbers, W-2 information, and information on savings, investments, and business assets. Your child will also need to have this information.

But here's a dilemma: since most parents probably won't complete their federal income tax return in January, how can they fill out the FAFSA, which relies on figures from their tax return? There are two possible solutions. The first is to prepare your tax return earlier. The second is to prepare (or hire a tax professional to prepare) an estimated tax return, which can then be used to complete the FAFSA--a practice the federal government deems acceptable. If you use an estimated tax return, keep in mind that you will need to provide a final tax return later on.

***Tip:** Even if you don't expect your child to qualify for federal aid, you should still consider filing the FAFSA because colleges often require it as a prerequisite for students to be eligible for the college's own institutional aid.*

How do I file the FAFSA?

You can complete a paper FAFSA or file it electronically. The way you submit the FAFSA does not affect your child's eligibility for aid.

You can get a paper FAFSA at your child's high school or your local library. Once it's complete, you should make a copy for your records and mail it in the preaddressed envelope that comes with the form.

You can file an electronic FAFSA at www.fafsa.ed.gov. You'll need to apply for a PIN before you can actually start filling out the online application. Electronic FAFSAs offer several advantages over paper FAFSAs: detailed online help screens, an online chat option with a customer service representative, built-in error detectors, confirmation that the application was transmitted successfully, and faster processing--one week as opposed to two to four weeks for paper FAFSAs.

Tip: *If you've previously filled out the FAFSA4caster, the federal government's online financial aid forecasting tool, the online FAFSA will be automatically populated with your data.*

What happens after I file the FAFSA?

After your FAFSA is processed, you will receive a Student Aid Report (SAR) either in the mail or electronically (depending on how you filed the FAFSA). This document summarizes data from your FAFSA and indicates your official expected family contribution (EFC), which is the amount of money the government expects your family to contribute to college costs for the current year to be eligible for financial aid. For example, "EFC25000" means that your expected family contribution is \$25,000.

You should review the SAR carefully to make sure it contains your correct income and asset information. Any corrections should be made immediately and sent back for reprocessing. If you have questions, you can contact the Federal Student Aid Information Center at 1-800-433-3243.

Tip: *If there is an asterisk (*) next to your EFC figure, you have been selected for verification. FAFSAs are selected for verification randomly, or because the FAFSA is incomplete or contains estimated tax information. If you are selected for verification, you will need to provide additional documentation that might include a final tax return, household information, or appraisals for certain assets listed on the FAFSA. Not all families selected for verification will need to submit the same documents.*

The SAR is also sent to each college you listed on your FAFSA. Once the college receives your child's SAR, the financial aid administrator at each school that has accepted your child will craft an aid package that tries to meet your child's financial need (remember, colleges aren't obligated to meet all of it). To determine your child's need, the administrator subtracts your EFC from the cost of attendance at that particular college. Your child will then be notified of the college's aid package in an award letter sent out in the spring. The package typically includes various combinations of federal and college loans, grants, scholarships, and work-study jobs

As always, for more information or questions, please do not hesitate to contact us at 215-343-2727.