



# Financial Aid 101



OFFICE OF  
FINANCIAL AID  
UNIVERSITY OF MICHIGAN

# Discussion Topics

- **What Is Financial Aid?**
- **College Costs and Planning Tools**
- **Financial Aid Eligibility**
- **Types of Financial Aid**
- **Applying for Financial Aid**
- **Next Steps**
- **Tips for Students and Families**

The information presented is based on current circumstances and is subject to change. Please refer to specific schools/institutions for additional information.





# What Is Financial Aid?



**Financial aid is funding from various sources used to pay college expenses.**

# What Is Financial Aid?

## Financial aid IS NOT funding for:

- Credit cards
- Shopping
- Buying a car
- Partying
- Spring break/vacation

# College Costs and Planning Tools

## The Cost of Attendance Includes Direct and Indirect Costs

### Direct Costs

- Paid DIRECTLY to the university and include:
  - Tuition & fees
  - Food & housing

### Indirect Costs

- Paid to others, and can include:
  - Books, course materials, supplies, and equipment
  - Miscellaneous personal expenses
  - Transportation

# College Costs and Planning Tools

## U-M Cost of Attendance

	In-State	Out-of-State
Tuition & Fees**	\$ 17,736	\$ 60,946
Living Expenses‡	\$ 15,328	\$ 15,328
Books, Course Materials, Supplies & Equipment	\$ 1,158	\$ 1,158
Transportation	\$400	\$400
Misc. Personal	\$ 2,310	\$ 2,310
<b>TOTAL</b>	* \$ 36,932	* \$ 80,142

\* This is the maximum amount of financial aid you can receive.

\*\* Tuition and fees listed are based on approved rates for the 2024-2025 academic year. Rates are approved each June by the U-M Board of Regents and estimated budgets are updated at that time. Tuition and fees may be higher or lower depending on a student's program of study; these estimated budgets use information from the College of Literature, Science and the Arts. Current tuition information is available through the Office of the Registrar.

‡ Based on the unlimited basic residential meal plan.



# College Costs and Planning Tools



## Planning tools

[finaid.umich.edu/tools-resources/  
planning-tools-calculators](https://finaid.umich.edu/tools-resources/planning-tools-calculators)  
[#comparing-financial-aid-offers](https://twitter.com/comparing-financial-aid-offers)



## College Scorecard compares colleges from around the country

[collegescorecard.ed.gov](https://collegescorecard.ed.gov)



# College Costs and Planning Tools

## Net Price Calculator

- A free, interactive tool that provides estimated net cost
- Uses institutional data
- Calculates individual situations
- [npc.collegeboard.org/app/umich](https://npc.collegeboard.org/app/umich)



## Federal Student Aid Estimator

- Free federal tool
- Early estimate for federal student aid
- Offers options to pay for college
- [studentaid.gov/aid-estimator/](https://studentaid.gov/aid-estimator/)





# Financial Aid Eligibility

## What is the Student Aid Index (SAI)?

Formerly known as the Expected Family Contribution (EFC), the SAI is a number resulting from a student's and family's financial resources.

- Calculated using a federal formula with information from the FAFSA
- Parent contribution and student contribution
- Amount a family can reasonably expect to contribute
- The same at every institution

# Financial Aid Eligibility

## Calculating Financial Need

Cost of Attendance (Budget)	\$26,000
Student Aid Index (SAI)	- \$ 4,000
Other Aid or Resources (such as private scholarships)	- \$ 0
<b>Your Need for Aid</b>	<b>= \$22,000</b>

# Types of Financial Aid

1




Free money.

2



Borrowed money.

3



Earned money.

# Types of Financial Aid

## Gift Aid

- **Scholarships**

- May or may not be need-based
- Earned in some way: grades, skills, service, etc.
- Awarded by a variety of organizations
- May or may not require FAFSA and/or other applications

- **Grants**

- Need-based
- Must complete FAFSA to apply
- May require other applications such as the CSS Profile or other institutional forms



# Types of Financial Aid

## Watch for scholarship scams

- Required application fees
- No contact telephone number
- Unsolicited opportunities
- Hype or pressure to participate
- Scholarship services that guarantee success
- Social Security number or banking information requested

## More information:

[studentaid.gov/resources/scams](https://studentaid.gov/resources/scams)



# Types of Financial Aid

## Understand your scholarship

- **One-time award vs. a renewable award**
  - If renewable, are there requirements?
    - Minimum GPA requirement
    - Major specific
    - Requires full-time enrollment
- **Tuition-specific scholarship**
- **What is the value of the scholarship?**
  - Full ride vs. partial (will you have remaining costs?)

# Types of Financial Aid

## Go Blue Guarantee

- Free U-M tuition for four years
- Must qualify for in-state tuition and be earning first bachelor's degree
- Family income of \$75,000 or less and assets below \$75,000
- Must apply and be eligible for financial aid
- More information: [goblueguarantee.umich.edu/ann-arbor](http://goblueguarantee.umich.edu/ann-arbor)
- Eligibility: [finaid.umich.edu/go-blue-guarantee-eligibility](http://finaid.umich.edu/go-blue-guarantee-eligibility)



### FREE TUITION

for families with incomes \$75,000 & under  
& assets below \$75,000

**Tuition support for some families earning more**

Four years for qualifying in-state students on the Ann Arbor campus



# Types of Financial Aid



## Self-Help Aid Work-Study

- Need-based
- Earn a paycheck for work
- Flexible work schedules
- Consider on or off-campus opportunities

Students who are not eligible for Work-Study may still apply for other jobs



# Types of Financial Aid

## Self-Help Aid Loans

- Borrowed Money
- Repayment begins after graduation
- Federal Loan eligibility for student borrowers is determined by completing the FAFSA
  - **Federal Subsidized Direct Loans:**
    - Need-based
    - Interest does not accrue until repayment begins
  - **Federal Unsubsidized Direct Loans:**
    - Non-Need-Based
    - Interest accrues when borrowing begins



# Applying for Financial Aid



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# Completing the FAFSA: Where

An official website of the United States government. Help Center Submit a Complaint English | Español

Federal Student Aid  
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

FAFSA® Form ▾ Loans and Grants ▾ Loan Repayment ▾ Loan Forgiveness ▾

**A Better 2024–25 FAFSA® Form**  
The 2024–25 FAFSA form is now available. We've started sending submitted applications to colleges and states. [Learn more about 2024–25 FAFSA updates.](#)

2024–25 FAFSA® Form

[Start New Form](#) [Access Existing Form](#)

Need to access last year's form? [Edit a 2023–24 FAFSA Form](#)


**Check FAFSA® Deadlines for the State You Live in**

Some states and colleges use information from the FAFSA form to determine your eligibility for their grants, scholarships, and loans. Check your state's deadlines here!

Missing a state deadline does not impact your eligibility for federal student aid, so fill out your FAFSA form even if your state deadline has passed.

School Year  State of Residence  [Find Deadlines](#)

[View All FAFSA Deadlines](#)



## Complete the FAFSA

It's free, easy, fast, and more students qualify for Federal Student Aid than you may think.

<http://studentaid.gov/h/apply-foraid/fafsa>



# Completing the FAFSA: When



**FAFSA:** [studentaid.gov/h/apply-for-aid/fafsa](https://studentaid.gov/h/apply-for-aid/fafsa)

- Free application
- State, federal, and private financial aid resources



**CSS Profile:** [cssprofile.org](https://cssprofile.org)

- \$25 application fee
  - Need-based U-M grants and scholarships
- 
- **FAFSA** - Typically, available October 1. **2025-2026 application expected on or before Dec.1**
  - **CSS Profile** – Available October 1



# Completing the FAFSA: How

## Important Documents and Steps

- Create your FSA ID in advance
- Have available:
  - 2023 Tax Return
  - Bank/asset statements
  - Child support information(paid or received)
  - Other untaxed income information
- Income data will be transferred using the IRS Direct Data Exchange on the FAFSA

# Completing the FAFSA: Why



## Why should you complete the FAFSA?

- Student Aid Index (SAI) determines your financial aid eligibility
- Gain access to multiple sources of aid
- List multiple schools on your application



# Completing the FAFSA: What

## FAFSA: What should I expect?

- Multiple sections are for student information
- Invite parents, also called FAFSA contributors, to add their information directly to the application
- “As of today” language



# Completing the FAFSA: Who

- **Each Student**
  - Parent data can be transferred for multiple children
- **FAFSA Contributor(s)**
  - Both parents (biological, step-parent, adoptive) if married
  - Only one parent if single, divorced, or separated (the parent that provides the most financial support to the student)
  - If both parents live in the same house and are not married both incomes go on FAFSA

# Dependent vs. Independent

## FAFSA: Dependent vs. Independent

- **Dependent** \*most students
  - Parental information is required
- **Independent**
  - No parental information required if:
    - Married
    - At least 24 years old
    - At any time since you turned age 13, both your parents were deceased, you were in foster care, or you were a Ward of the Court/State
    - Have a dependent that you provide more than 50% support for
    - Homeless

*(Sample of questions on the FAFSA that determine independent student status.)*



# Important Dates



## When should you complete the FAFSA?

- FAFSA is an annual application. File it every year!
- Fill out the **2025-2026 FAFSA** as soon as possible
- Check with each school for individual deadlines

## U-M requires the FAFSA & the CSS Profile

- Suggested filing date - **Dec. 15**
- U-M priority deadline - **March 31**

**The State of Michigan deadline is May 1.**

# Applying for Financial Aid

## Frequent FAFSA Errors

- Incorrect school code – If applying to U-M Ann Arbor, be sure to select UM-Ann Arbor school code: 002325
- Social Security numbers
- Divorced/remarried parental information
- Student/parent income
- Real estate & investment net worth
- Work-Study preferences

# Next Steps

## What's next?

- Make necessary FAFSA corrections
- Complete institutional forms
  - CSS Profile, if required
  - Scholarship applications
  - Verification
- Submit requested documentation (Federal Tax Transcripts, W-2s, etc.)
- Estimated Financial Aid Notices will be sent in early 2025
  - Based on initial calculated need
  - Not binding, simply an offer

# Next Steps

## Reporting Special Circumstances

- Special Circumstances cannot be reported on the FAFSA
- Change in employment, death, marital status, one-time significant benefit, large out-of-pocket medical expenses, etc.
- Send an explanation of special circumstance to each financial aid office
- All special circumstances will be reviewed, and a FINAL decision will be made\*

If you have an unusual circumstance where parental data cannot be provided on the FAFSA, contact the Office of Financial Aid about your options.

\*The Department of Education does not consider appeals



# Tips for Students and Families



- **Consider payment plans**
- **Know before you Go Blue!**
- **Satisfactory Academic Progress**
- **Apply for scholarships every year**
- **Meet all deadlines**
  - Check & respond to your email
  - Check & respond promptly to requests
- **Problems/issues**
  - Talk to the experts on campus



# Thank You

## Office of Financial Aid

515 E. Jefferson St.  
Ann Arbor, MI 48109-1316

[finaid.umich.edu](https://finaid.umich.edu)

## Outreach Unit

[ofa-outreach@umich.edu](mailto:ofa-outreach@umich.edu)

