



October 1st is here and its time to start your College Aid ([FAFSA](#)) application. But, are you sure what to do? The mistakes you make could cost you \$1000's of dollars. Even worse your student may not be able to afford the school of their dreams.

[Also read: Smart Money Habits For College Freshman](#)

It is the time of year when you first learn about or revisit the **Free Application for Financial Student Aid** or otherwise known as the **FAFSA**. The FAFSA is an important form that helps determine the amount of student aid your student may be eligible for. This form can be confusing and daunting, so I encourage you to take the time to understand the questions being asked. Be sure to seek help if you do not understand how to complete it. Mistakes can be costly, while you may be able to make corrections later you may have already missed out on grants, scholarships, financial aid, etc.

Mistakes or failing to plan could cost you thousands of dollars. Or even worse the possibility that your student cannot go to the school of their dreams or complete their education.



Some of the biggest mistakes are:

- *Not filing at all ? thinking you make too much money, too hard, procrastinating, etc. Procrastination or failure to complete the FAFSA could make a difference in which school you are able to afford or to be more affordable.*
- *Not filing on time ? some of aid is first come first served. In Texas for the 2022 ? 2023 academic year in order to receive priority consideration the FAFSA must be completed by January 22, 2022. The Federal deadline is June 30, 2023, but most importantly you must know the deadline for the schools that you are applying to.*
- *Not reading the questions carefully and understanding what is being asked. Do not be in a hurry and make sure what you enter is correct. Errors can be costly!*
- *Inputting incorrect information ? one of the biggest mistakes I have seen over and over is inputting retirement assets as an asset. **On this one call me and we can discuss.***
- *Not preparing in advance ? see below.*
- *Allowing the student to complete this form ? this should be a family project.*
- *Incorrect data ? license numbers, Social Security numbers, FSA ID numbers, etc.*

I recommend planning in advance by doing the following:

- *Download a copy of the form and instructions. By doing this you can review the questions in advance to be better prepared*
- *Apply in advance for your PIN number ? FSA ID - for the student and for the parent.*
- *Set aside a few hours to complete this form when you will not have distractions or a time constraint.*

- *Get your financial documents such as your bank account and investment account statements downloaded and printed. Since the statements will not match the balance on the day you file the FAFSA print a snapshot of each for your file.*
- *Make a list of the schools that you want to receive your report. List all schools (up to 10) that you are interested in; even the ?maybes? and the backup schools.*
- *Have a copy of your students and your last year?s tax returns and W-2?s for reference. The tax forms can be retrieved electronically within the application, but you will want to compare for accuracy. If you have not filed yet, then calculate the best estimate and you will most likely need to provide the completed tax forms later.*

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What?s Next:

In about 3 ? 5 days after completing and submitting the application, you will receive your SAR ? Student Aid Report which summarizes the information entered onto the FAFSA application. The SAR will have your EFC - Estimated Family Contribution. Next year the EFC will be called the SAI ? Student Aid Index. I highly recommend that you review the SAR for accuracy. If you find a mistake some of them can be changed online; others you may need to contact the Financial Aid office at the schools that you submitted the FAFSA.

If finances, family status, or other life matters happen after you have submitted the FAFSA and before school starts are sure to contact the Financial Aid office. Since the FAFSA is based on last year's taxes things may have changed financially. For instance, job loss, income reduction, divorce, and loss of a family member are just a few things that can affect the FAFSA calculation. Be sure to share these with the Financial Aid office. I have found that over the years one of these things may come up.

Why I do this:

My goal in sharing this information is to help make the college financial aid journey more successful. I have shared with families that I helped in the past that this is a part-time job. Hopefully, this information will be put to good use and that by doing so possibly one student that may have thought that a college degree was unattainable is able to complete their education.

Remember Winston Churchill:

?He who fails to plan is planning to fail?

[Click to schedule an appointment](#) or if you would like to attend one of my webinars or seminars, please contact me or check our [Event Calendar](#).

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To schedule a meeting please click here: [Calendar Link](#)