Solution Prep

Handy FAFSA Worksheet

Go to StudentAid.gov and click "Create Account" to get an FSA ID for both the student AND a parent

Parent

Username: _____
(MAY contain Upper case, Lower case, Number; MUST be 6-30 characters)

Email: _____
(Pick an account you can access right now)

Password: _____
(MUST contain Upper case, Lower case, Numbers; MUST be 8-30 characters)

Phone Number: _____

Security Questions

Q1. _____

A1. _____

Q2. _____

A2. _____

Q3. _____

A3. _____

Q4. _____

A4. _____

Back-up Code: _____

Student

Username: _____
(MAY contain Upper case, Lower case, Number; MUST be 6-30 characters)

Email: _____
(Pick an account you can access right now)

Password: _____
(MUST contain Upper case, Lower case, Numbers; MUST be 8-30 characters)

Phone Number: _____

Security Questions

Q1. _____

A1. _____

Q2. _____

A2. _____

Q3. _____

A3. _____

Q4. _____

A4. _____

Back-up Code: _____

FAQ

Work Study: Select "Yes." It's not binding; it just gives you the option to decide later.

Schools: List every single college you may be even remotely considering, up to 20. To add more than 20 colleges, file today, wait the 3-5 days to receive confirmation your FAFSA is processed, then log back in and drop some schools to add new ones. Colleges you remove won't lose what you already sent, and any college you send FAFSA to twice will only keep the latest copy.

IRS Link: The federal government already has this info, so you're only giving permission to share it across agencies. If you choose not to use the IRS Link, you can still manually enter the exact same info; it will just take a little longer. You will also need to do this manually on the CSS PROFILE or school-specific financial aid applications if colleges on your list require them.

Assets: A parent's 529 plan is an asset of the parent (report the total of all accounts for only this child). But money in a 529 plan held outside the household is income of the student only in years of disbursement. Siblings' accounts are no longer counted. Custodial bank or investment accounts (UTMA, UGMA, UNIF) are the student's assets. Retirement plan (401k, IRA, etc.) don't count.

NJ FAMS: After submitting the FAFSA, scroll down on the "Congratulations" screen and click in the blue box on the left to send your info to NJ. Create an NJ FAMS account, which will be required to have access to any state grants or loans. It's just a few questions.

Loans

(numbers based on 2023-2024 until 2024-2025 numbers publish)

Subsidized Student Loan: Students only. No credit requirement. No payments or interest until 6 months after college. Interest is 5.50% thereafter, plus a 1.057% fee. If parents plan to pay tuition by liquidating investments, consider utilizing this loan—up to $23,000 based on need eligibility—to let investments appreciate and pay the bill once due. Borrowing also builds credit for students.

Unsubsidized Student Loan: Students only. No credit requirement. Interest-only payments until 6 months after school, or defer (but interest compounds, so not recommended). Interest at 5.50%, plus a 1.057% fee. Maximum amount is $31,000 minus available Subsidized Loan. May choose not to borrow, but must be maxed out to qualify for NJCLASS or PLUS loans below.

NJCLASS Loan: Available to FAFSA-filing parents and students with 670 credit & $40k income. Immediate payments with 10-yr plan, at 5.69%. OR Interest-only payments with 15-yr plan at 5.89%. OR full deferral with 20-yr plan at 7.49% (but interest compounds, so not recommended). Save 0.25% with auto-pay on the 10-yr plan. All carry a 3% fee. Available up to the cost of attending (less other grants and scholarships) after maxing out the Student Loan above. Available to NJ residents attending college anywhere in America.

PLUS Loan: FAFSA-filing parents only. Immediate repayment at 8.05% plus 4.228% fee. Up to cost of attending after Student Loan.

Private/Bank Loans: Home loans or other borrowing may be available through private lenders at competitive rates, fixed or variable. Some rates are introductory only. Private lenders typically have less flexible repayment terms. Consider what's best for your family.