

Marist College

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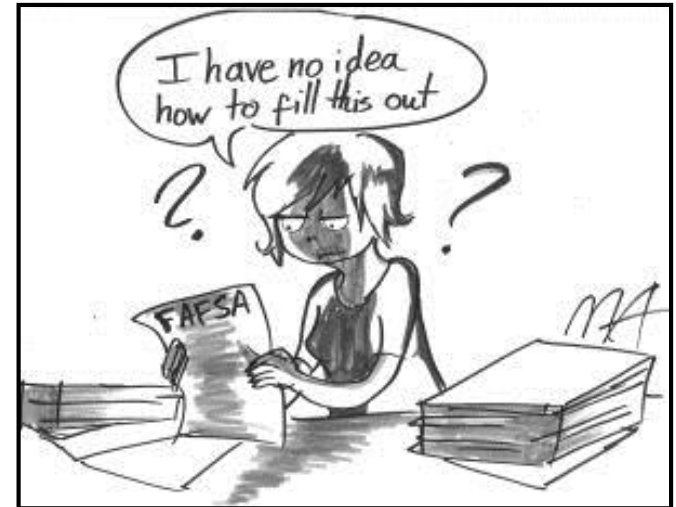
An Overview of Financial Aid and the FAFSA



www.UShumor.com

Agenda

- What is financial aid?
- Cost of attendance (COA)
- Expected Family Contribution (EFC)
- What is financial need?
- Sources of financial aid
- Free Application for Federal Student Aid (FAFSA)
- The CSS PROFILE



What is Financial Aid?

Financial aid is funding used to assist students and families to pay for postsecondary educational expenses.

3 Types of Federal Student Aid

1	2	3
 Free money.	 Borrowed money.	 Earned money.
Grants are usually based on financial need and don't have to be repaid.	Loans are an investment in your future. But remember, they must be repaid with interest.	A work-study job lets you earn money while you're in school.

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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the AMERICAN MIND®

Learn more at StudentAid.gov/types. Apply at www.fafsa.gov.

What is Cost of Attendance (COA)?

- Billable costs
- Non-billable costs
- Varies widely from college to college

May include:

- Tuition and Fees
- Room and Board
- Books
- Travel
- Miscellaneous Expenses

What is the Expected Family Contribution (EFC)?

- Calculated using data from the federal application form (FAFSA) and a federal formula. It is used to determine student aid eligibility.
- For the 2019–20 academic year, the FAFSA may be filed beginning October 1, 2018.
- Amount family can reasonably be expected to contribute.
- Stays the same regardless of college.

5 Factors Considered in Calculating The EFC:

1. Income
2. Assets
3. Household size
4. Number of students in college
5. Age of older parent

Examples of Assets:

- 529 Savings Plan*
- Educational IRA Accounts
- Prepaid Tuition Plan
- Trusts
- Inheritance
- Stocks
- Cash
- Mutual Funds

*** These accounts are reported as parental investments on the FAFSA, including all accounts owned by the student and all accounts owned by the parents for any member of the household.**

What Is Financial Need?

Cost of Attendance

- Expected Family Contribution (EFC)

= Financial Need

Completing The FAFSA

www.fafsa.ed.gov

- Create an FSA ID and password at <https://fsaid.ed.gov/npas/index.htm>
- The FSA ID will provide access to certain U.S. Department of Education websites
 - Both the student and a parent need an FSA ID and password to electronically sign the FAFSA
- Provide a valid email address for the Student Aid Report (SAR) will be emailed to you within 3-5 days



Prior-Prior Year FAFSA

- Prior-prior year (PPY) tax information (2017) will be used on the 2019-2020 FAFSA

IF YOU PLAN TO ATTEND COLLEGE FROM	YOU WILL SUBMIT THIS FAFSA	YOU CAN SUBMIT THE FAFSA FROM	USING TAX INFORMATION FROM
JULY 1, 2018 – JUNE 30, 2019	2018-19	OCTOBER 1, 2017 – JUNE 30, 2019	2016
JULY 1, 2019 – JUNE 30, 2020	2019-20	OCTOBER 1, 2018 – JUNE 30, 2020	2017

Who Completes the FAFSA?

- All U.S. citizens or eligible non-citizens should complete the FAFSA
- Report information on both biological/adoptive parents if they live together (even if not married)
 - If parents are divorced/separated, list the parent the student lives with most (and step-parent, if remarried) & child support from the noncustodial parent

Get help paying for college

Submit a Free Application for Federal Student Aid (FAFSA)

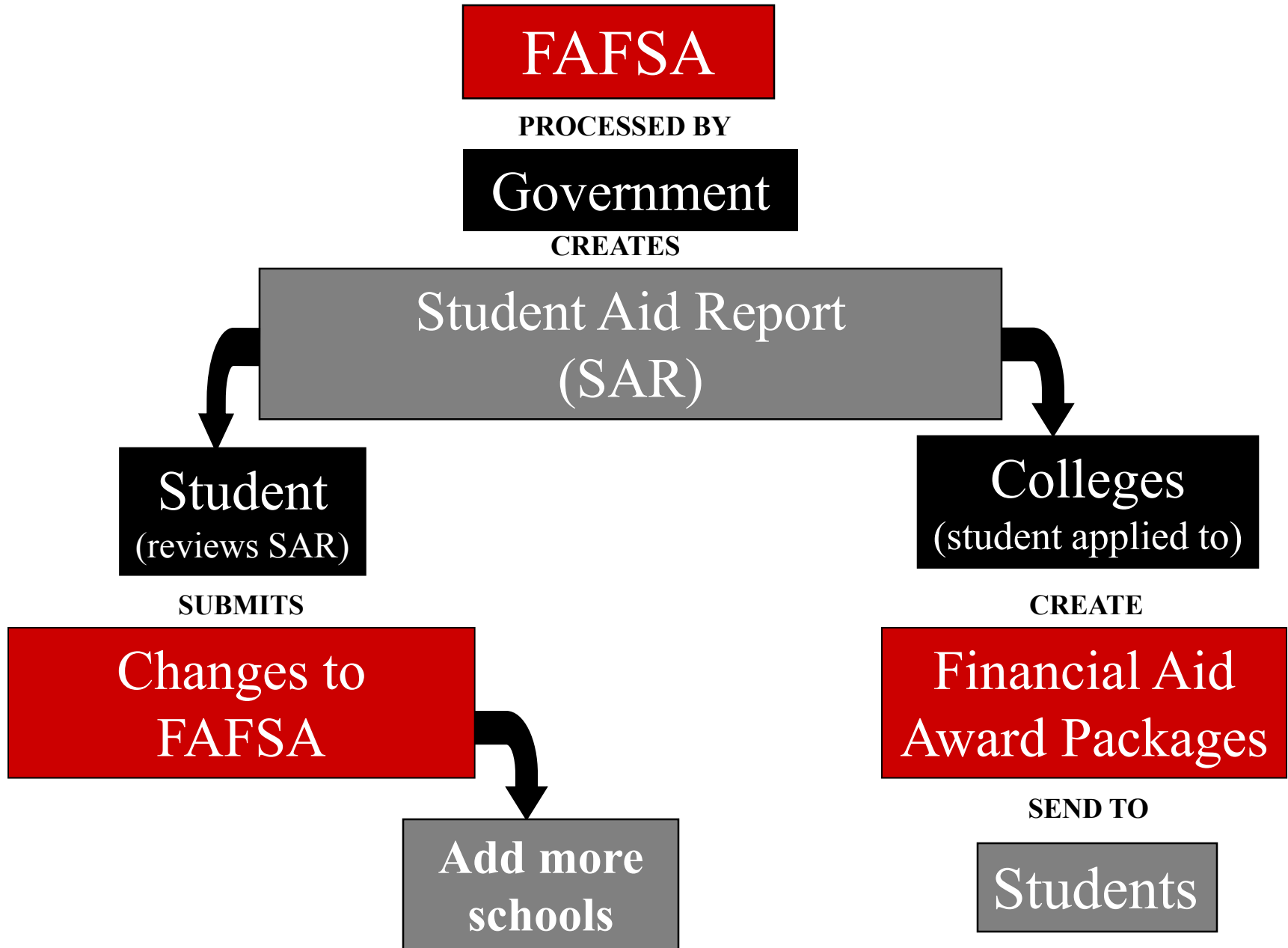
Documents Needed To Complete The FAFSA:

- Federal Income Tax Returns (IRS Data Retrieval)
- SSN
- Records of untaxed income
 - Child support received/paid
 - Workers compensation
- Current bank statements
- Business & farm records
- Records of stocks, bonds & investments
- Alien Registration number (ARN), if not a U.S. citizen

IRS Data Retrieval Tool

- Utilize the IRS Data Retrieval
- IRS will authenticate taxpayer's identity
- If match found, IRS populates tax information
- Applicant chooses whether or not to transfer data to the FAFSA
- You can view a video of the IRS Data Retrieval Process at www.finaid.org/fafsa/irsdataretrievaltool.phtml

How Does The FAFSA Work?



Verification

- Federal government and/or college **may** select FAFSA for financial aid verification
- Additional documentation that may be requested:
 - Signed verification worksheet confirming household information, etc.
 - W-2 statements or tax related information
 - If corrections are needed, logon to the FAFSA to make corrections to a processed FAFSA application.

Types of Financial Aid

- Gift Aid:**
- Scholarships (merit/academic)
 - Grants (need based)
 - Federal Grants (PELL and SEOG)

- Self Help Aid:**
- Employment: Need Based & Campus Employment
 - Student Loans (need based and non-need based)

Scholarships

Marist College Institutional

- Academic Scholarship
- Athletic Scholarship (Division I)
- Music Scholarship (Choral and Instrumental)
- Theatre Scholarship
- ROTC Scholarship

Private

- Endowed Scholarships
- Outside Scholarships

What are “outside” resources?

- Funds from sources **other than** the college/university
- Clubs and civic organizations, foundations, private gifts, employers

What can outside resources do?

- They **CAN** replace self-help (loan and work) components of aid award.
- The **CAN** fill in difference when schools “gap” award.
- **Most** outside resource checks are made out to the student and the school.

Athletic Scholarships

- Awarded by athletic department, NOT admission/financial aid office
- Both partial and “full” athletic scholarships can be offered
- Some schools offer athletics, but NOT athletic scholarships (D-III)

Gift Aid: Grants

Federal

- Federal Pell Grant: \$606 - \$5,920 (6 year maximum)
- Supplemental Educational Opportunity Grant (SEOG)
- Maximum SEOG amount-\$4,000/year
- Teach Grant: up to \$4,000/year (\$16,000 over 4 years)

Institutional

- Need-Based Grant in Aid



Cal Grants

- Cal Grants are for students who are pursuing an undergraduate degree or vocational or career training, and do not have to be repaid. In addition to meeting the financial criteria and Cal Grant requirements, you must: submit the **FAFSA** and your verified Cal Grant GPA by the deadline.

Cal Grants

- Three kinds of Cal Grants — A, B and C — you don't have to figure out which one to apply for. Your eligibility will be based on FAFSA responses, your verified Cal Grant GPA, the type of California colleges you list on your FAFSA and whether you're a recent high school graduate. To learn more about the qualifications, go to [Calgrants.org](https://calgrants.org).

Cal Grant A

- Award may be applied to tuition and other fees at public or private colleges for students working towards an associate's or bachelors degree. The grant covers up to \$5,742 at Cal State schools, up to \$12,630 at UC schools and up to \$9,084 is given to students attending a private school. Need a minimum 3.0 GPA, have financial need.

Cal Grant B

- Award given to low income students as a living allowance and partial tuition assistance. First year students given up to \$1,672 for books and living expenses; after that, awards are the same as Cal Grant A. To be eligible for this grant the student must have a 2.0 GPA, have financial need and meet the income and asset requirements.

Cal Grant C

- Award provides assistance for tuition at occupational or career colleges. \$1,094 is available for books and equipment and \$2,462 is available for tuition and fees. Must have financial need, Enroll in vocational courses, Associate and/or Certificate Programs only. Meet income and asset requirements.

Middle Class Scholarship

- The Middle Class Scholarship (MCS) provides undergraduate students, including students pursuing a teaching credential, with family incomes and assets up to \$165,000 a scholarship to attend University of California (UC) or California State University (CSU) campuses

Middle Class Scholarship

- Students must meet the following requirements: be a California resident attending a UC or CSU; be a U.S. citizen or permanent resident; meet certain income/asset and other financial aid standards; maintain satisfactory academic progress; not be in default on a student loan; and, must not be incarcerated.

Middle Class Scholarship

- Students whose families have income and assets up to \$165,000 per year may be eligible for a scholarship of no less than 10 percent and no more than 40% of the mandatory system-wide tuition and fees at the University of California and the California State University

Student Employment

- Allows student to earn money to help pay educational costs and learn “real life” work skills
- Awarded as Campus Work Study or Campus Employment
- Earnings not applied toward the bill
- Student receives a paycheck

Federal Direct Loan (Subsidized and Unsubsidized)

Subsidized Direct:

- Need-Based
- Government pays interest earned while in school

Subsidized Loan:

**Effective 07/01/17 fixed
interest rate of 4.45%**

Unsubsidized Direct:

- Financial need is not a consideration
- Interest is accrued
- Interest payments can be made or deferred

Unsubsidized Loan:

**Effective 07/01/17 fixed
interest rate of 4.45%**

*** Freshman base annual loan limit \$5,500**

Student Loan Limits

- Freshman-(0-29 credits): \$5,500
- Sophomore-(30-59 credits): \$6,500
- Junior/Senior-(60+ credits): \$7,500

Federal Direct PLUS Loan

- Borrowers are parents of dependent undergraduate students
- FAFSA must be filed to receive a Federal PLUS Loan
- Annual loan limit: cost of attendance minus all other financial aid
- Fixed Interest rate: 7%
 - Repayment begins after final disbursement for the year unless granted a deferment

Private Loan

- Loan in the student's name
- Credit-based
- Can borrow up to the cost of attendance minus all other financial aid
- Interest rates (fixed or variable), terms, and fees vary with lender

Monthly Payment Plans

- Convenient alternative to lump-sum, semester payments
- Payments can be made over a specified time period
- Annual application fee
- No credit review



The College Scholarship Service (CSS) Financial Aid PROFILE

- Used by some colleges and universities to award their own institutional financial aid funds. This form is in addition to completing the FAFSA.
- Available October 1, 2018. Review the colleges' websites to determine if the PROFILE is required or for priority filing dates.
- \$25 for the initial application; \$16 charged for each additional college you request.
- Students register and complete the PROFILE online at <http://student.collegeboard.org/profile>
- PROFILE is not required for federal financial aid

Additional Information Reported on the CSS PROFILE VS. FAFSA

- Home value/mortgage information
- Private school tuition
- Business owner information
- Medical and dental expenses
- Non-custodial parent information
- Outstanding debts
- Projected financial information for the coming year
- Explanation of special circumstances

Overall Points to Remember

- Read the FAFSA and PROFILE instructions carefully
- Financial aid and state requirements and deadlines may vary with institutions
- The FAFSA must be completed or renewed every year the student is in college in order to be eligible for financial aid

Key Web Sites:

FAFSA on the Web: www.fafsa.ed.gov

Net Price Calculator: *A tool used to estimate net cost of a specific institution*
http://nces.ed.gov/ipeds/section/net_price_calculator

Department of Education
Student Information: <http://studentaid.ed.gov>

CSS Profile: student.collegeboard.org/profile

FinAid!: www.finaid.org **(Guide to Student Financial Aid)**

FAFSA4caster: www.fafsa4caster.ed.gov (early estimate)

Free Scholarship Search: www.studentaid.ed.gov/scholarship