



FINANCIAL  
AID 101

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# Financial Aid Jargon



# Financial Aid Jargon

- Estimated Family Contribution (EFC)
- Cost of Attendance – (COA)
- Financial Need

# EFC

## **Estimated Family Contribution (EFC)**

The amount the federal government, via the FAFSA process, estimates that a family should contribute to the cost of a college education, based on income, assets and other circumstances.

# COA

## Cost of Attendance

- Direct Charges Paid to School
  - Tuition and Fees
  - Room and Board (if resident)
- Plus Allowances for:
  - Books
  - Transportation
  - Miscellaneous

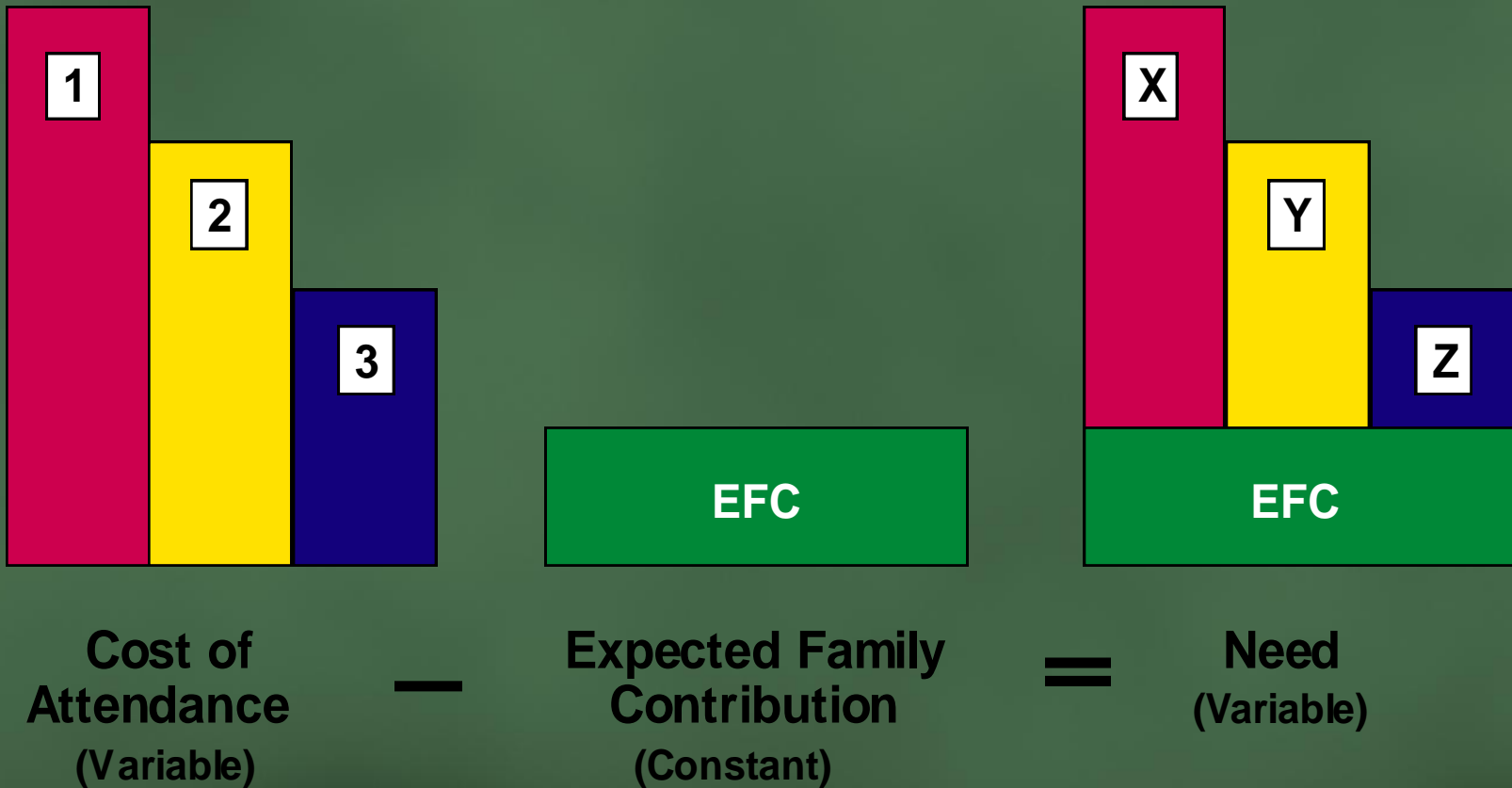
# Financial Need

$$\text{COA} - \text{EFC} = \text{Financial Need}$$

Cost of Attendance for School - How much the family  
can contribute to school

= how much student needs for education

# Need Varies Based on Cost of Attendance





**\*This is an example and does not imply real packages.**

	<b>Community College</b>	<b>4 Year Public</b>	<b>4 Year Private</b>
<b>A. Cost of Attendance</b>	<b>\$12,000</b>	<b>\$20,000</b>	<b>\$45,000</b>
<b>B. Family Contribution</b>			
Parent	0	0	0
Student	0	0	0
<b>Total EFC</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Financial Need</b>	<b>\$12,000</b>	<b>\$20,000</b>	<b>\$45,000</b>
<b>D. Financial Aid Package:</b>			
Federal Pell	\$5,550	\$5,550	\$5,550
TAP	3,500	5,000	5,000
College Grants	0	1,000	21,000
Federal Work-Study	0	2,000	3,000
Federal SEOG	0	500	2,000
Federal Perkins	0	0	1,000
Stafford (subsidized)	2,950	3,500	3,500
<b>Total Aid</b>	<b>\$12,000</b>	<b>\$17,550</b>	<b>\$41,050</b>
<b>Unmet Need</b>	<b>\$0</b>	<b>\$2,450</b>	<b>\$3,950</b>

**The higher the need, the higher the eligibility for aid.**

# How To Apply For Financial Aid



# Forms to File:



**FREE APPLICATION FOR  
FEDERAL STUDENT AID  
(FAFSA)**

**COLLEGE SCHOLARSHIP  
SERVICE FINANCIAL AID  
SUPPLEMENT (PROFILE)  
for private schools**



**PRO  
FILE**

**CSS/Financial  
Aid PROFILE®**

# FAFSA

- File FAFSA to determine eligibility for federal and state aid.
- FAFSA on the Web “[www.fafsa.ed.gov](http://www.fafsa.ed.gov)”
- 1-800- 4Fed AID (Call for help on filling out the FAFSA)
- Parents and student sign the FAFSA with electronic pin number
- File after Jan 1 and before school deadline

- 1 Before Beginning a FAFSA
- 2 Filling Out a FAFSA
- 3 FAFSA Follow-Up

# Federal Student Aid FAFSA



We have simplified the process of filling out the FAFSA. You can follow each section all of the way through for a comprehensive set of instructions.

## Before Beginning a FAFSA

# 1

Get organized!  
To simplify the application process, gather required documents and other information ahead of time.

- [Determine Your Dependency Status](#)
- [FAFSA on the Web Worksheet](#)
- [Search for School Codes](#)
- [Students & Parents Apply For a PIN](#)
- [Check Application Deadline Dates](#)

## Filling Out a FAFSA

# 2

Fill out the application!  
The FAFSA contains questions that ask about you, your financial information, your school plans, and more.

- [Fill Out Your FAFSA](#)
- [Open Your Saved FAFSA or Correction Application](#)
- [Sign Electronically With Your PIN](#)

## FAFSA Follow-Up

# 3

View your results online!  
You can check the status of your application, make corrections to a processed FAFSA, and get other information.

- [Check Status of a Submitted FAFSA or Print Signature Page](#)
- [Make Corrections to a Processed FAFSA](#)
- [Add or Delete a School Code](#)
- [View and Print Your Student Aid Report](#)

### Special Announcements

[Updated information available for the new TEACH grant.](#)

Looking for an early start on the financial aid process?



You can use FAFSA4caster to learn about the financial aid process and get an early estimate of your eligibility for federal student aid.

[Link to FAFSA4caster](#)

# Completing the FAFSA

- Allow yourself ample time - no distractions
- Review instructions carefully before starting
- Collect documents you'll need (*tax returns, bank statements, investment summaries, etc.*)
- Make it a joint effort (*student and parent share responsibility*)
- Be sure to include school codes so that schools can have access to the data
- Review SAR (student aid report) for accuracy
- Notify the college(s) of errors if any are made

# Verification

- FAFSA may select you at random for Verification. This is done to confirm accuracy of information reported on FAFSA by students and parents
- If you are selected, it will be notated on the SAR or by the school.
- You need to submit documents to all of the school listed on the FAFSA, in order to receive an accurate financial aid package.
- You will be required to submit a verification worksheet (provided by the school), tax return with schedules, w2s, and any additional information requested by the school.

# • CSS Profile

- Some private schools require you to file the CSS profile in order to be eligible for Institutional Aid.
- The CSS profile is similar to the FAFSA, in that it requires information about income, assets, etc.





for Students

College Board Tests

Plan for College

Find a College

Apply to College

Pay for College

## Pay for College

### Tools

- Career Browser
- PROFILE Online

[Home](#) > [Pay for College](#) > CSS/PROFILE

## CSS/Financial Aid PROFILE®

### The fast, easy, convenient secure way to apply for financial aid

Welcome to PROFILE, the financial aid application service of the College Board -- a national, not-for-profit membership association whose mission is to connect students to college success and opportunity. Many of the member colleges, universities, graduate and professional schools, and scholarship programs use the information collected on PROFILE to help them award nonfederal student aid funds.

Completing PROFILE Online requires you to have a secure browser and either a valid credit card or checking account.

If you have forgotten your user name or password, click on "PROFILE 2010-11" below then click on "Forgot your user name?" or "Forgot your password?" and follow the directions.

➤ | **PROFILE 2011-12**

Click here to register for and complete your PROFILE Online Application for 2011 - 12. You should file this application if you are entering or returning to college in the fall of 2011 or the spring of 2012.

➤ | **PROFILE 2010-11**

Click here to register for and complete your PROFILE Online Application for 2010 - 11. You should file this application if you are entering or returning to college in the fall of 2010 or the spring of 2011.

Click to view the [2011 - 12 PROFILE Student Guide](#).

Click to view the [list of colleges, universities, and scholarship programs](#) that will use the 2011 - 12 PROFILE, Noncustodial PROFILE (NCP), and IDOC Services.

# Completing CSS Profile

## Profile Process

1. Register in *one* of the following ways
  - online: [www.collegeboard.com](http://www.collegeboard.com)
  - phone: 1-800-778-6888
2. Complete application (can be saved)
3. File by earliest deadline
4. Receive data confirmation
5. Review & make changes (as needed)

# CSS Profile Vs. FAFSA

- The CSS PROFILE can be submitted in the fall; FAFSA cannot be submitted before January 1.
- The CSS PROFILE contains questions specific to the school or program you're applying to; FAFSA contains the same questions for everyone.
- CSS PROFILE asks for more detailed information than FAFSA. (regarding assets, businesses, homes, etc.)
- CSS PROFILE costs \$25 to create, and is given to 1 school. \$16 is charged for each school or scholarship program selected; the FAFSA, as the name implies, is free.

# FINANCIAL AID PROCESS

- CSS profile is filed if required by school
- FAFSA is filed
- FAFSA and CSS data is received by school
- Estimated financial aid package is generated
- If selected for verification, student is notified, and must submit documents
- Once documents are verified, actual amounts can be viewed online

\*Financial aid package does not equal acceptance into college.

# Types of Financial Aid



# Types of Financial Aid

- Need Based
- Merit Based
- Federal
- State
- Private
- Institutional



# Types of Need Based Aid

## Scholarships /Grants

- Federal Grants - PELL, SEOG
- State Grants - NYS TAP
- Institutional Grants
- Private Scholarships

## Self Help Aid

- Federal Student Loans
- Federal College Work-Study



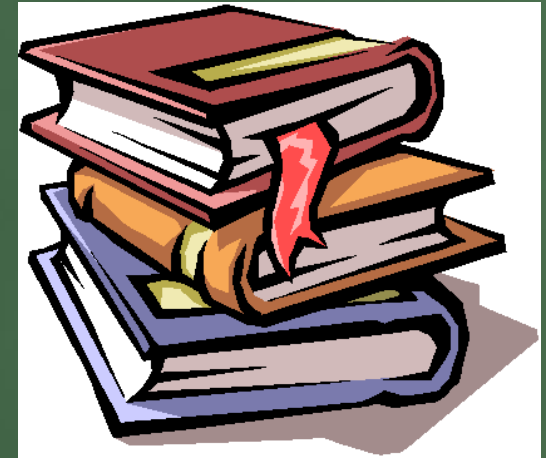
# Types of Merit Based Aid

- Institutional Merit Based Scholarships
- Federal Grants (ACG, SMART)
- State Grants (HESC Scholarships)
- Private Scholarships
  - Unions
  - Companies
  - Community Groups
  - Foundations



# Eligibility for Merit Based Aid

- Test Scores
- Class Rank
- Special Skills or Talents
- Other Factors



# Federal Grants and Scholarships

## Need Based

- Pell Grant
  - The maximum Pell grant for the 2010-11 award year (July 1, 2010, to June 30, 2011) is \$5,550.
  - The amount depends on your EFC, financial need, costs to attend school, status as a full-time or part-time student, and plans to attend school for a full academic year or less
- SEOG (Campus Based)
  - for undergraduates with exceptional financial need
  - Pell Grant recipients with the lowest expected family contributions (EFCs) will be considered first for a FSEOG
  - You can receive \$100 to \$4000, depending on the policies of your school

# Federal Grants and Scholarships

## Merit Based

- ACG

- a first-year student with Recognized Rigorous Secondary School Programs of Study
- if a second-year student — have at least a cumulative 3.0 grade point average (GPA) on a 4.0 scale as of the end of the first year of undergraduate study.

- SMART

- available during the third and fourth years of undergraduate study (or fifth year of a five-year program) to at least half-time students who are eligible for the Federal Pell Grant
- majoring in physical, life, or computer sciences, mathematics, technology, engineering or a critical foreign language; or non-major single liberal arts programs.

# State Grants and Scholarships

## NYS TUITION ASSISTANCE PROGRAM

- TAP on the Web
- or ETA - Express TAP Application (March)

[www.HESC.org](http://www.HESC.org)

- file FAFSA & list NYS School



# TAP



# Paying for College.

HESC helps make college dreams a reality.

 College & Career Planning  
Use these tools to build your college and career plan.

 **Paying For College**  
Our comprehensive guide to grants, loans, scholarships.

 Applying for Financial Aid  
All about how the financial aid process works.

 Borrower Center

## Grants & Scholarships

- Federal Grants
- State Grants
- TAP
- Scholarships & Awards



## Loans

- Federal Loans
- NYHELPS
- Private Loans



## In the Spotlight

- [Timely TAP Questions and Answers](#)
- [Check Out College Fairs Near You](#)
- [Back at College and Broke Already](#)
- [Explore New York's Colleges](#)
- [Resources from the September 2010 HESC Board of Trustees Meeting](#)

# SCHOLARSHIP SEARCH

- Most Scholarship Searches are free
- Online searches
  - “[www.fastweb.com](http://www.fastweb.com)”
  - “[www.collegeboard.com](http://www.collegeboard.com)”
    - Pay for College Scholarship link
  - Library

# Self Help Aid

- Federal Work/Work-Study (on/off campus)
- Federal Loans
  - Perkins Loan
  - Federal Direct Loans
    - Subsidized/Unsubsidized/PLUS



# Federal Work Study

- Campus Based
- part-time jobs for undergraduate and graduate students with financial need,
- Paid hourly, and paychecks are given directly to student.
- Work on campus for the school, or off campus, with non-profit organizations.



# Federal Perkins Loan

- low-interest (5 percent) loan for both undergraduate and graduate students with exceptional financial need
- made through a school's financial aid office

# Federal Direct Loans

- Subsidized Loan

- interest is paid by the federal government while in-school and for 6 months after school
- 4.5% interest rate for 2010-11

- Unsubsidized Loan -

- need is exhausted
- Interest accrues while student is in school
- 6.8% interest rate in school and in repayment

# Federal Direct Loans

## FEDERAL SUBSIDIZED STAFFORD ANNUAL LOAN

### LIMITS:

Freshman	-	\$3500
Sophomore	-	4500
Junior	-	5500
Senior	-	5500

Undergraduate Maximum for Subsidized: \$23,000

# Federal Direct Loans

## UNSUBSIDIZED LOAN ELIGIBILITY:

All Undergraduate Students eligible for \$2000

Undergraduate Maximum:

Subsidized and unsubsidized combined -  
\$31,000 (of which \$23,000 can be subsidized.)

# PLUS Loan

Parent Loan for Undergraduate Students

Fixed Interest Rate: 7.9%

Eligibility:

Cost of Attendance - Financial Aid = PLUS  
Eligibility

# Tuition Specific

vs.

## Cost of Attendance Aid

- Some grants and scholarships (ex. TAP) are tuition specific. This means that the money will only be used for the cost of tuition. If you get more than one tuition specific grant or scholarship, you will only be covered up to the cost of tuition.
- Other grants and scholarships (ex. PELL) cover a student's cost of attendance. This means that even if a student's tuition is covered, they would still be eligible for the grant.

Visit [studentaid.ed.gov](https://studentaid.ed.gov) for  
detailed information on types of  
federal grants and scholarships.

# Conclusion

- ❖ File early
- ❖ Know each school's requirements
- ❖ Meet the deadlines
- ❖ Don't wait until acceptance to file for aid
- ❖ If necessary, Estimate!!!!
- ❖ Filing online is faster; more accurate, quicker.
- ❖ There are no magic numbers to indicate who will be eligible for aid
- ❖ Let the experts tell you if you qualify for aid





Questions?