

College Financial Aid Night

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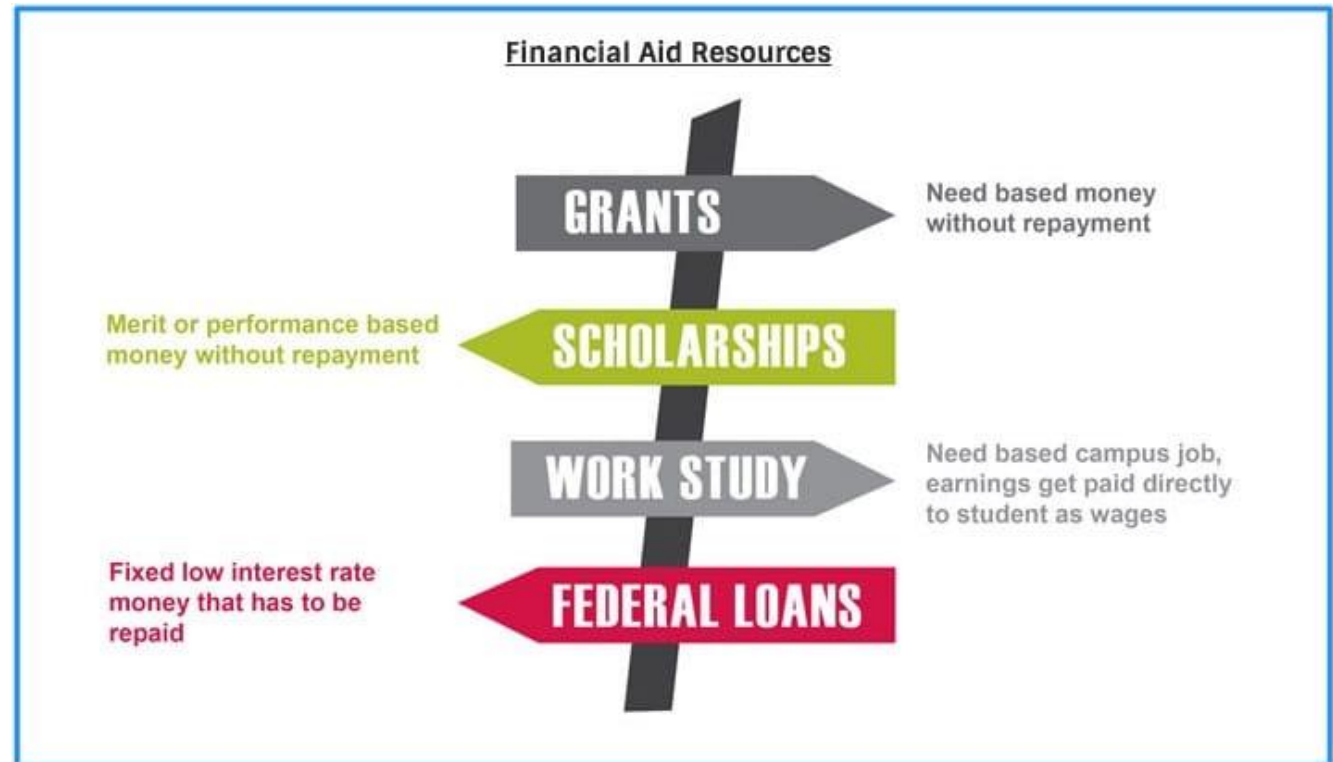
Tonight's Discussion Will Highlight:

- Types of Financial Aid
- Financial Aid Application Process
- Determining Financial Aid Eligibility
- Resources, Tips & Thoughts

Questions at the end

Types of Financial Aid

- Grants
- Scholarships
- Work-Study Program
- Federal Direct Student Loans
 - *Subsidized: no interest while enrolled*
 - *Unsubsidized: interest accrues while enrolled*



If You Want To Be Considered For Financial Aid

Please be aware of the following deadlines...

- Application for Admission
- Application for Financial Aid
 - FAFSA
 - CSS Profile

Don't wait to be admitted to apply for Financial Aid

Where To Begin

Required Financial Aid Applications may vary:

- FAFSA
- CSS Profile
- Institution Specific Applications

Submission deadlines may vary:

- Submit two weeks before earliest deadline

Be Organized!

- Research necessary forms and deadlines for each college
- Discuss what a good financial fit is for your family
- Have a financial plan for all 4 years

Types of Applications

Free Application for Federal Student Aid **FAFSA**

- Required for Federal & State Aid
- <https://studentaid.gov/h/apply-for-aid/fafsa>

College Scholarship Service Profile **CSS Profile**

- Used primarily by private colleges
- \$25.00 for first submission to school
- <https://cssprofile.collegeboard.org/>

Institutional Applications

- Check school publications and websites

Federal Student Aid ID (FSA ID)

- For FAFSA Application, Student Loans & Parent Loans
- Be mindful of timing as your information needs to be confirmed with SSA
 - ✓ Social security number
 - ✓ Date of birth
 - ✓ Full name as it appears on social security card
- Students and at least one parent need an FSA ID

Create an Account (FSA ID)

Step 1 of 7

Personal Information

First Name

Middle Initial

Last Name

Date of Birth

Month	Day	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>

Social Security Number

Note: A user can only have one account associated with his or her Social Security number.

Cancel

Continue

Helpful Resources

Visit www.studentaid.gov and the [Understand Aid](#) tab to prepare for college and the federal student aid process.

Learn about:

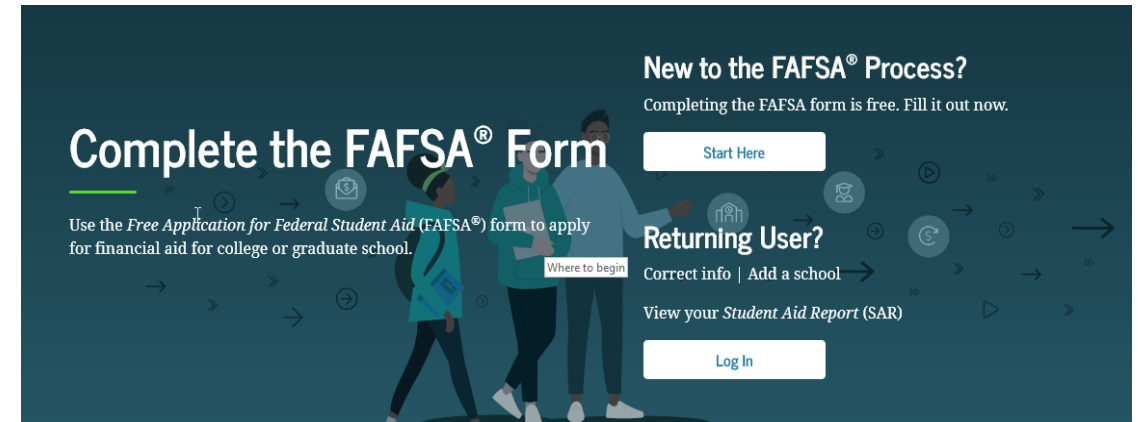
- [Types of Financial Aid](#)
- [Who Gets Aid](#)
- [Submitting a FAFSA](#)
- [How to Repay Your Loans](#)



<https://youtu.be/Pn4OECMTh5w>

Federal Application Process

- FAFSA available October 1st of every year
- Parent & student tax information required
 - Use 2021 tax information
 - If divorced/separated, use custodial parent information
- Submitted each year the student is in school
- 1 FAFSA per student, not per family
- Investment assets values are reported as of the date filing the FAFSA
- Marital status as of the date filing the FAFSA
- Year in School refers to the year in college! (First year / freshman)



*Complete the FAFSA to the best of your ability
and be truthful.*

www.studentaid.gov

Federal Data Retrieval Tool (DRT)

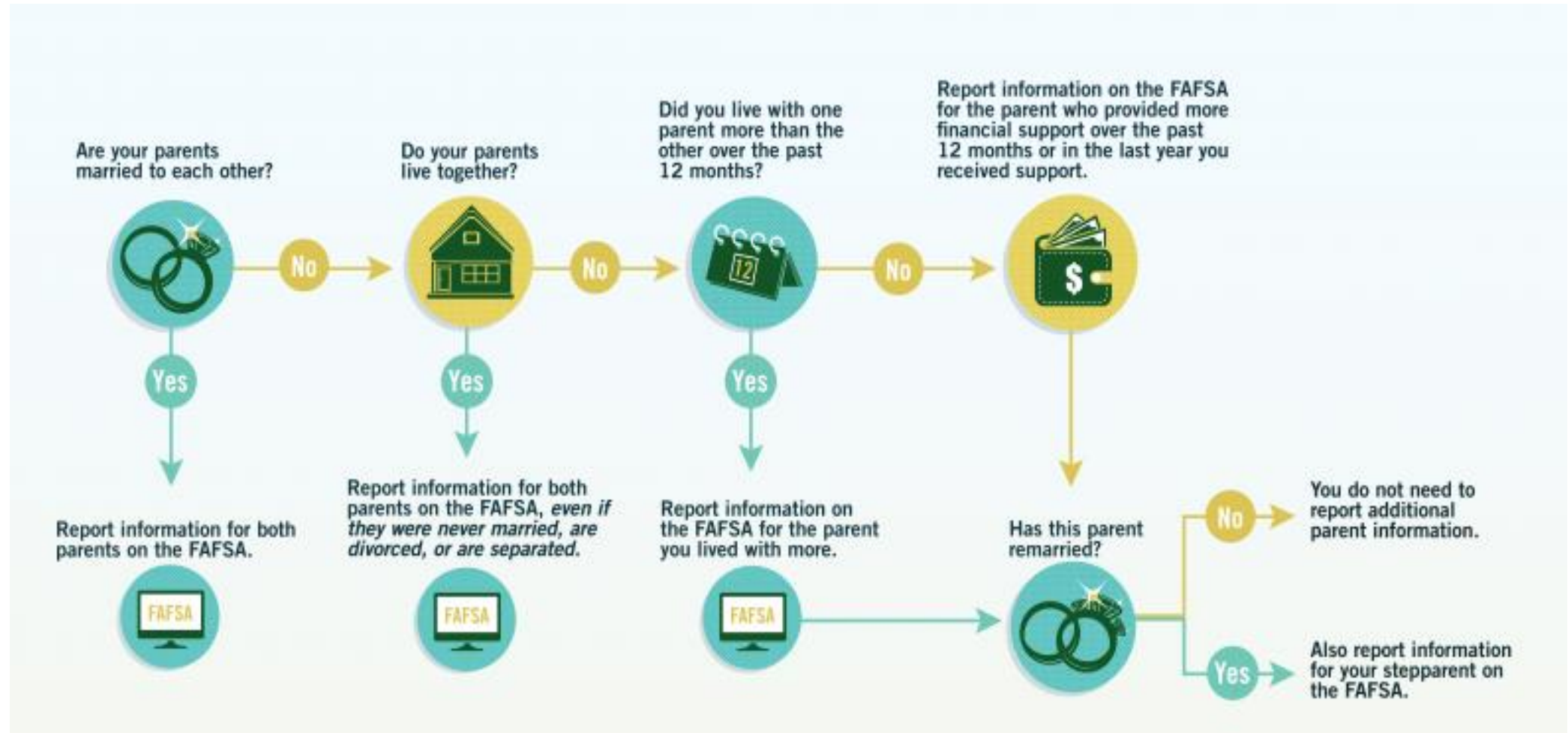
IRS DRT transfers parent & student tax information into the FAFSA form.

1. Auto-fill real-time IRS tax data into FAFSA resulting in **fewer errors** and **faster processing**.
2. On “Parent Financial Information” page, answer DRT eligibility questions
3. Enter Parent’s FSA ID & Click “Link to IRS” (*will leave the FAFSA website*)
4. Link to IRS website will go through authentication process
5. Select “Transfer My Information into the FAFSA”.
6. *Financial data will be encrypted for security (FAFSA will note in field “transferred from the IRS”)*
7. Repeat same process for student tax filers on “Student Financial Information” page (*if needed*)

It’s the easiest way for students and families to provide their tax data.

It’s the best way of ensuring that the FAFSA has accurate tax information.

Who's my parent when I fill out my FAFSA? "Parent" means your legal (biological or adoptive) parent or step parent, or person that the state has determined to be your legal parent. *** Marital status *as of the date filing the FAFSA* ***



*Foster parents, legal guardians, older brothers/sisters, aunts/uncles – **not** your parents unless they have legally adopted you.*

AFTER SUBMITTING THE FAFSA

Review the Student Aid Report (SAR) for errors

- If necessary, make corrections and resubmit FAFSA
- If selected for verification, you will be notified
 - You may be required to submit tax transcripts and/or other forms for verification purposes to the school
 - Financial aid awards are tentative until verification is complete

Students can list up to 10 school on the initial FAFSA and add or delete schools later.

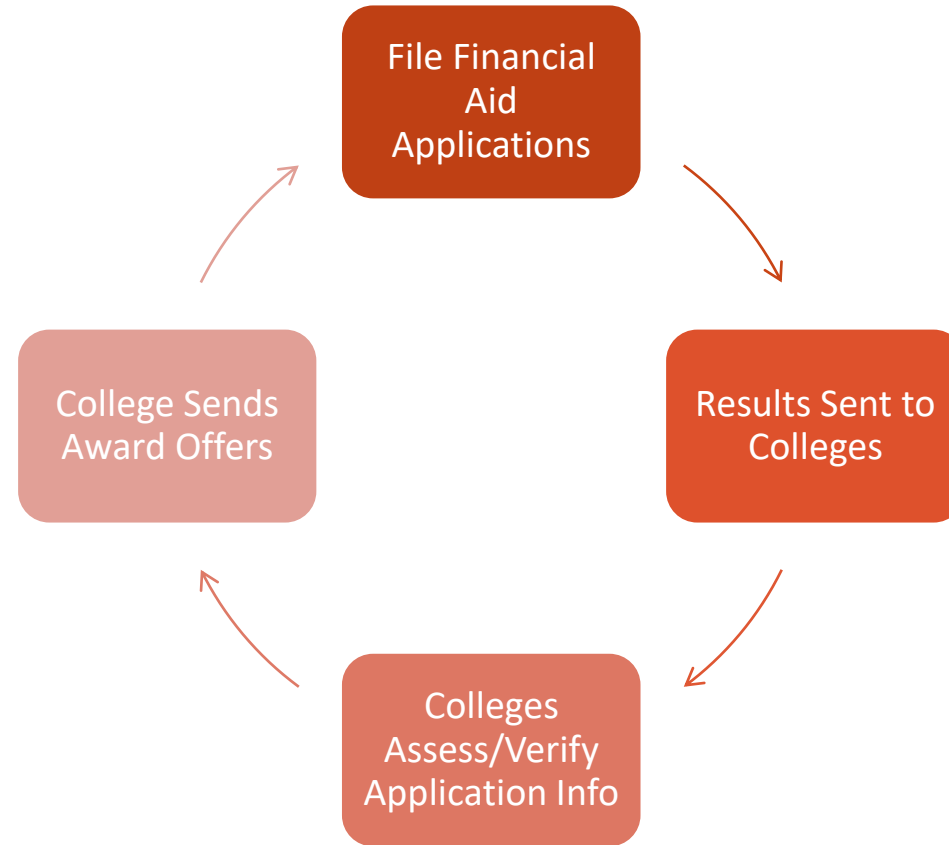
If 2021 tax information is not representative of your current income, contact each school about an appeal/professional judgement.

CSS Profile Application Process

- Available October 1st of every year
- Sent electronically to desired colleges
- In depth review of finances – asset & investment information
- Parent & student tax information required
 - If divorced/separated, use custodial parent information
 - Non-Custodial Parent Profile
- 1 Profile per student, not per family
- \$25 fee for first application submission, \$16 for each submission after
- Customized by school and used in determining Institutional need based aid eligibility
- www.collegeboard.org



Financial Aid Process



What Is The EFC?

EFC stands for Expected Family Contribution

- Amount family can reasonably be expected to pay *over time*
- Stays the same regardless of college

The EFC is a measure of family's financial strength and is calculated according to a formula established by law

- *NOT* the amount of money you will be required to pay to a college
- *NOT* the amount of assistance you will receive

It is a number used by your school to calculate the type and amount of federal student aid you are eligible to receive, need based institutional grants, endowment etc.

The EFC is subject to school verification and adjustments

FASFA 2024-2025 changing EFC to SAI "Student Aid Index"

The Cost of Attendance

$$\text{Direct Costs} + \text{Indirect Costs} = \text{Total Cost of Attendance}$$

Direct Costs (Billable costs)

- Tuition and mandatory fees
- Room and board for resident students

Indirect Costs (Non-Billable costs)

- Books and supplies
- Transportation to and from campus
- Miscellaneous personal expenses

Determining Eligibility

Schools utilize the following equation to determine your financial aid needs:

$$\begin{array}{r} \text{Cost of Attendance} \\ - \text{Federal EFC} \\ \hline \text{Financial Need} \end{array}$$

*Qualify for “Need Based Aid”

Financial Aid Eligibility

Financial aid packages will be different at each school even though the EFC remains the same

	Total Cost -	Federal EFC =	Financial Need
Private School	\$54,000 -	\$12,000 =	\$42,000
Public School	\$27,000 -	\$12,000 =	\$15,000

What is Gift Aid?

Gift Aid are forms of financial aid that do not need to be paid back.

Types of gift aid include:

- Need-Based Gift Aid
 - Federal Pell, SEOG Grant
 - Need based Institutional Scholarships
 - State Grant
- Merit-Based Gift Aid
 - Academic Achievement – cumulative gpa requirement
 - Athletic Achievement – participation requirement

Net Price

What is the real cost to me?

$$\begin{array}{r} \text{Total Cost of Attendance} \\ - \text{Gift Aid (Grants \& Scholarships)} \\ \hline = \text{NET PRICE} \end{array}$$

Net Price Calculator

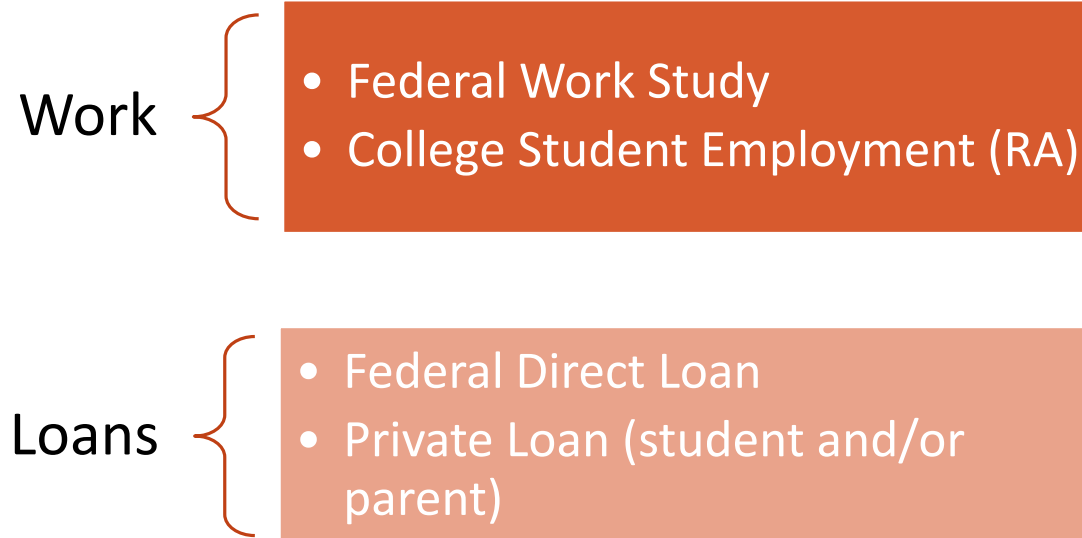
Net price calculators are available on a university's website and allow prospective students to enter information to receive an estimate of expenses and financial aid possibilities

- Not a guaranteed award
- Intended to help families understand out-of-pocket expenses earlier in the application process
- <https://collegecost.ed.gov/net-price>



Self Help Aid

Self-Help aid typically requires work or repayment, with some types subject to a student's demonstrated financial need.



Student Loans

Loan options available to you include:

- **Federal Direct Student Loan**
 - Solely in the student's name
 - Subsidized vs. Unsubsidized
 - No credit check, student cannot be in default on a previous loan
- **Federal Parent PLUS Loan**
 - Solely in the parent's name
 - Requires a credit check
- **Private Loans**
 - Student will need a co-signer
 - Requires a credit check

COA - Award Offer = Net Price

Compare Financial aid packages / Award Offers to determine your “Net Price”

	Total Cost -	Award Offer =	Net Price
Private School	\$54,000 -	\$34,500 =	\$19,500
Public School	\$27,000 -	\$5,000 =	\$22,000

Family Cost Responsibility

$$\begin{array}{r} \text{Total Cost of Attendance} \\ - \text{Financial Aid Awards} \\ \hline \text{Family Share} \end{array}$$

Funding your Family Share – Savings, Loans, Monthly income Payment Plans

Borrow Responsibly

Federal Direct Student Loans

Subsidized – interest doesn't accrue while in school. Must demonstrate "need".

Unsubsidized – interest begins to accrue when loan is disbursed, financial "need" is not required.

Currently: 4.99% fixed, 1.057% fee, various repayment options

Base annual loan limits (combined Subsidized & Unsubsidized)

Up to \$5,500 freshman year

Up to \$6,500 sophomore year

Up to \$7,500 junior and senior year

Private Student Loans

- Evaluate anticipated monthly loan payments against the student's anticipated first year salary

Federal Parent PLUS Loans:

FIXED 7.54% payment can be deferred. 4.228% fee. Interest accrues from date disbursed. (\$10,000 PLUS loan minus fee will disburse for \$9,576)

Outside Scholarships

Seek opportunities where there may be less applicants: **Town/City, County, State**

Potential Sources:

- Local businesses
- School guidance office
- Civic and community organizations
- Ethnic & cultural organizations
- Parents' employer
- Churches/religious groups

Online Resources:

[Tuition Funding Sources](#)
[Fast Web](#)
[School Soup](#)
[Admission Hook](#)
[Scholarship America](#)

State of Connecticut Programs

Connecticut Office of Higher Education

- Roberta B. Willis Scholarship Program
- Veterans Benefits
- www.ctohe.org/SFA

CHELSLA Loan Program

- The CT Higher Education Supplemental Loan Authority
- www.chesla.org



Questions to Ask Along the Way

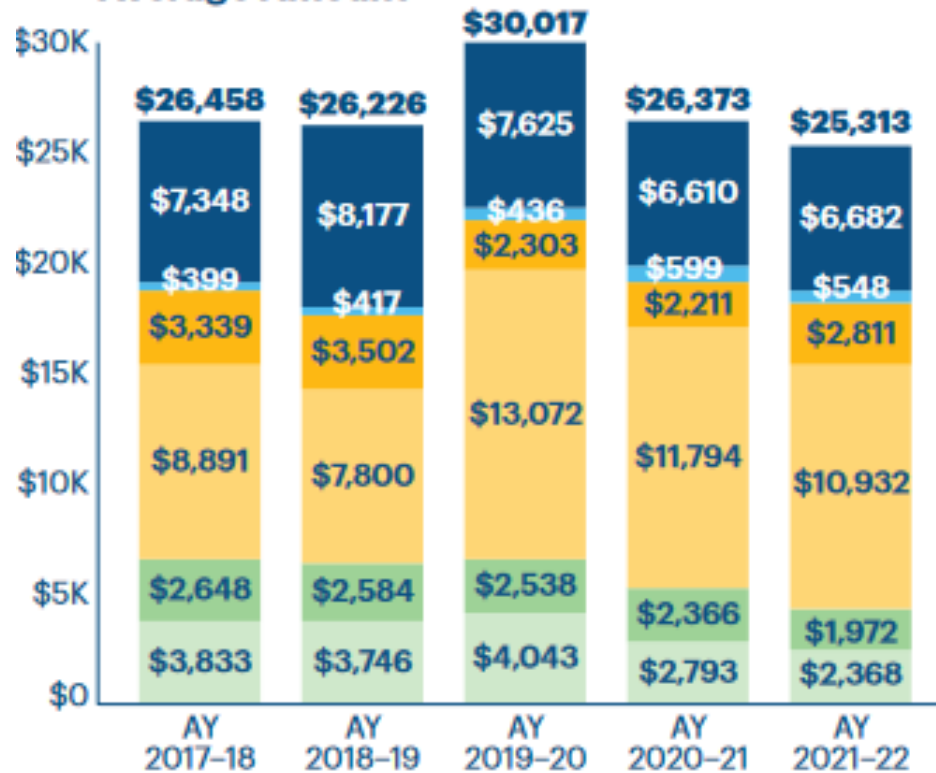
- When will I receive my financial aid award?
- How do outside awards affect the aid package?
- What is the school's policy on non-custodial parents?
- Are the scholarships/grants renewable each year?
- What happens if financial circumstances change?

How America Pays for College 2022

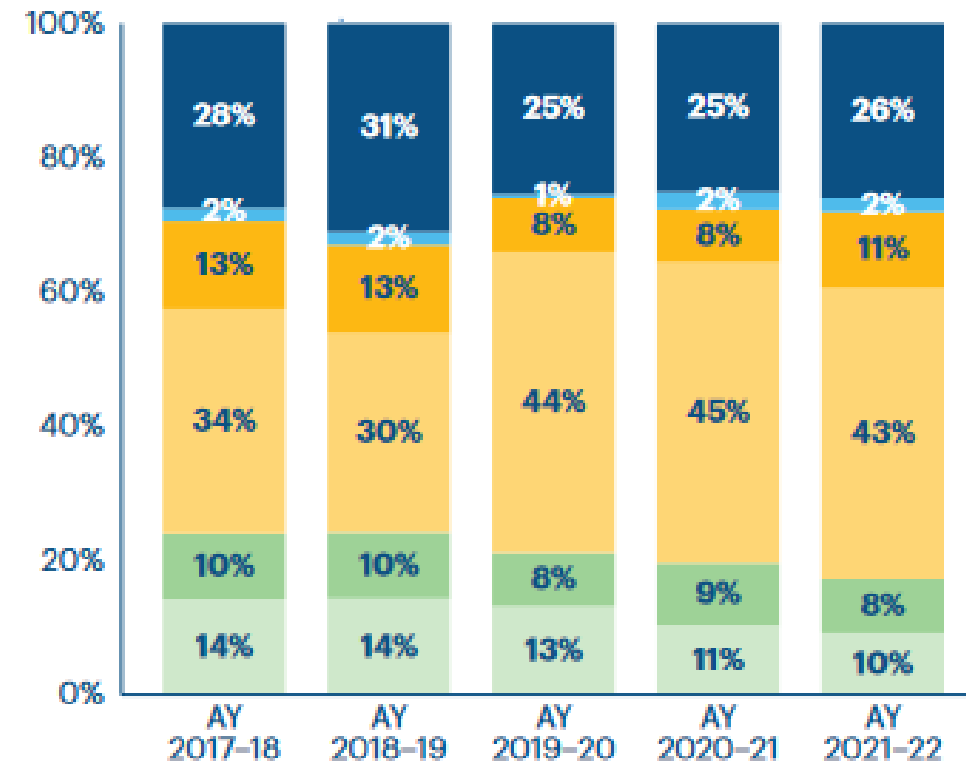
Sallie Mae | Ipsos

- Scholarships and grants
- Relatives and friends
- Student income and savings
- Parent income and savings
- Parent borrowing
- Student borrowing

How the Typical Family Pays for College, Average Amount



How the Typical Family Pays for College, Funding Source Share



Tips & Suggestions

1. Consider good financial fit as well as academic fit
2. The best deal is not always the best fit
3. Keep in mind your financing plan should cover the 4 year education (and more?)
4. Appeal with financial aid counselors if circumstances change
5. Spend time with scholarship and grant search tools – they make a difference!

Questions?