

# Financial Aid

*Presented by  
Amy Thompson  
St. Joseph's College*





## *Application Process*

- Submit FAFSA prior to school's deadline
- Most aid awarded on “*first-come, first-served*” basis
- To ensure maximum consideration for aid, check information from *each* school to determine:
  - Required application materials
  - Deadlines



# Free Application for Federal Student Aid (FAFSA)

- Collect family's personal and financial information used to calculate EFC
- Available in English and Spanish
- May file FAFSA in one of two ways:
  - Electronically via online
  - Paper FAFSA

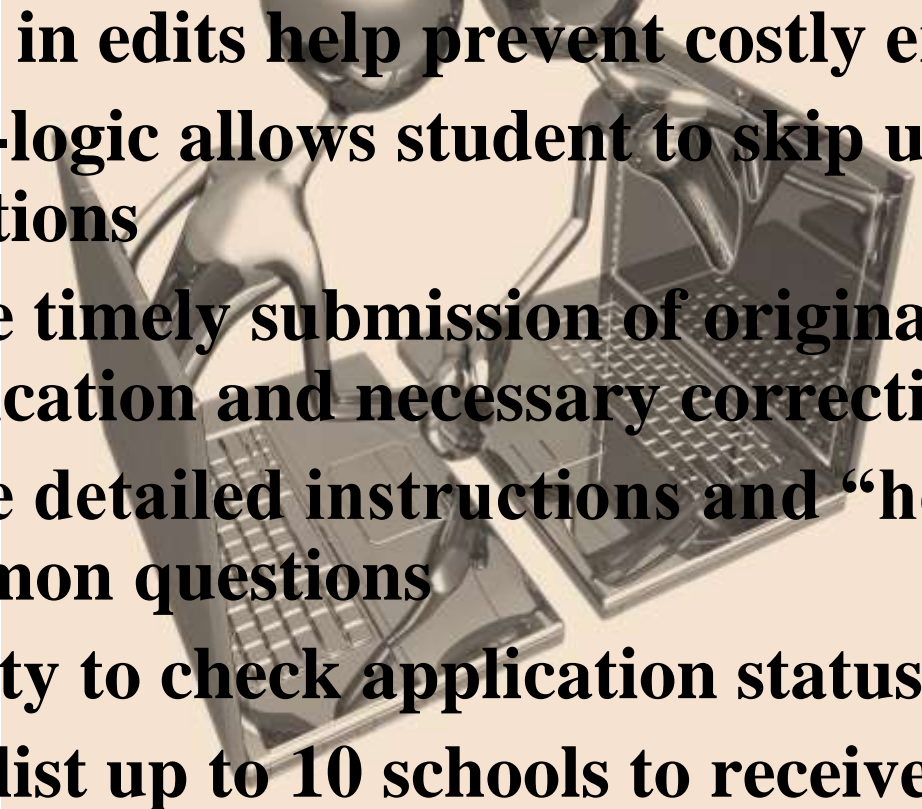


# FAFSA on the Web

- [www.fafsa.gov](http://www.fafsa.gov)
- **2012-13** FAFSA on the web available on or after **January 1, 2012**
- Pre-Application Worksheet:
  - Available prior to January 1<sup>st</sup>
  - Questions follow order of FAFSA on the Web

# FAFSA on the Web (cont'd)

## *Why to file online:*

- Built in edits help prevent costly errors
  - Skip-logic allows student to skip unnecessary questions
  - More timely submission of original application and necessary corrections
  - More detailed instructions and “help” for common questions
  - Ability to check application status on-line
  - Can list up to 10 schools to receive info
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- A 3D rendered illustration of two stylized human figures sitting at laptops. The figures are rendered in a metallic, reflective material. They are positioned behind a large, semi-transparent, light-colored rectangular area that serves as a background for the text. The figure on the left is looking at its laptop, while the figure on the right is looking towards the other figure. The overall scene suggests a collaborative or individual online activity.

# PIN Registration

- Web site: [www.pin.ed.gov](http://www.pin.ed.gov)
- Can get PIN before 1/1/12
- Not required, but speeds processing
- May be used by students and parents during aid process, including upcoming school years



# Paper FAFSA

- No longer available at colleges and guidance offices
- Students can request a paper form by calling **1-800-4-FED-AID**
- Print out and complete a **PDF** version at [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov), then mail in to the processor



CAUTION!



- Avoid being charged a fee to file the FAFSA
  - Completion and processing of the FAFSA are **FREE**
  - Be sure to go directly to [www.fafsa.gov](http://www.fafsa.gov)
  - Contact financial aid office for help completing the FAFSA

# Frequent FAFSA Errors

- Social Security Numbers
- Divorced/remarried parental information
- Income earned by parents/stepparents
- Untaxed income (i.e. Child Support)
  - U.S. income taxes paid
  - Household size
- Number of household members in college
  - Real estate and investment net worth

# FAFSA Processing Results (cont'd)

*Central Processing System (CPS) notifies student of FAFSA processing results by:*

- Paper Student Aid Report (SAR) if paper FAFSA was filed and student's e-mail address was not provided
- SAR Acknowledgement if filed FAFSA on the Web and student's e-mail address was not provided

# FAFSA Processing Results (cont'd)

*CPS notifies student of FAFSA processing results  
by:*

- E-mail notification containing a direct link to student's on-line SAR if student's e-mail was provided on paper or electronic FAFSA
- Student with PIN may view SAR on-line at [www.fafsa.gov](http://www.fafsa.gov).

# FAFSA Processing Results (cont'd)

- Institutional Student Information Record (ISIR) sent to colleges listed on FAFSA approximately 10 to 14 days after FAFSA submitted
- College reviews ISIR
  - May request additional documentation, such as copies of federal tax returns (i.e. selected for Verification)

# Student Aid Report

- **Review** data for accuracy
- **Update** estimated information when actual figures are available



# Making Corrections

*If necessary, corrections to FAFSA data may be made by:*

- Using FAFSA on the Web ([www.fafsa.gov](http://www.fafsa.gov)) if student has a PIN
- Updating paper SAR (SAR information Acknowledgement cannot be used to make corrections)
- Submitting documentation to college's financial aid office

# Special Circumstances

- Cannot report on FAFSA
- Send detailed statement to financial aid office at each college
- College will review special circumstances
  - Request additional documentation
  - Decisions are **final** and cannot be appealed to U.S. Department of Education

# Special Circumstances (cont'd)

- Change in employment status
- Medical or dental expenses **not** covered by insurance
  - Change in parent marital status
  - Unusual dependent care expenses
- Student cannot obtain parent information

# Definition of “Need”

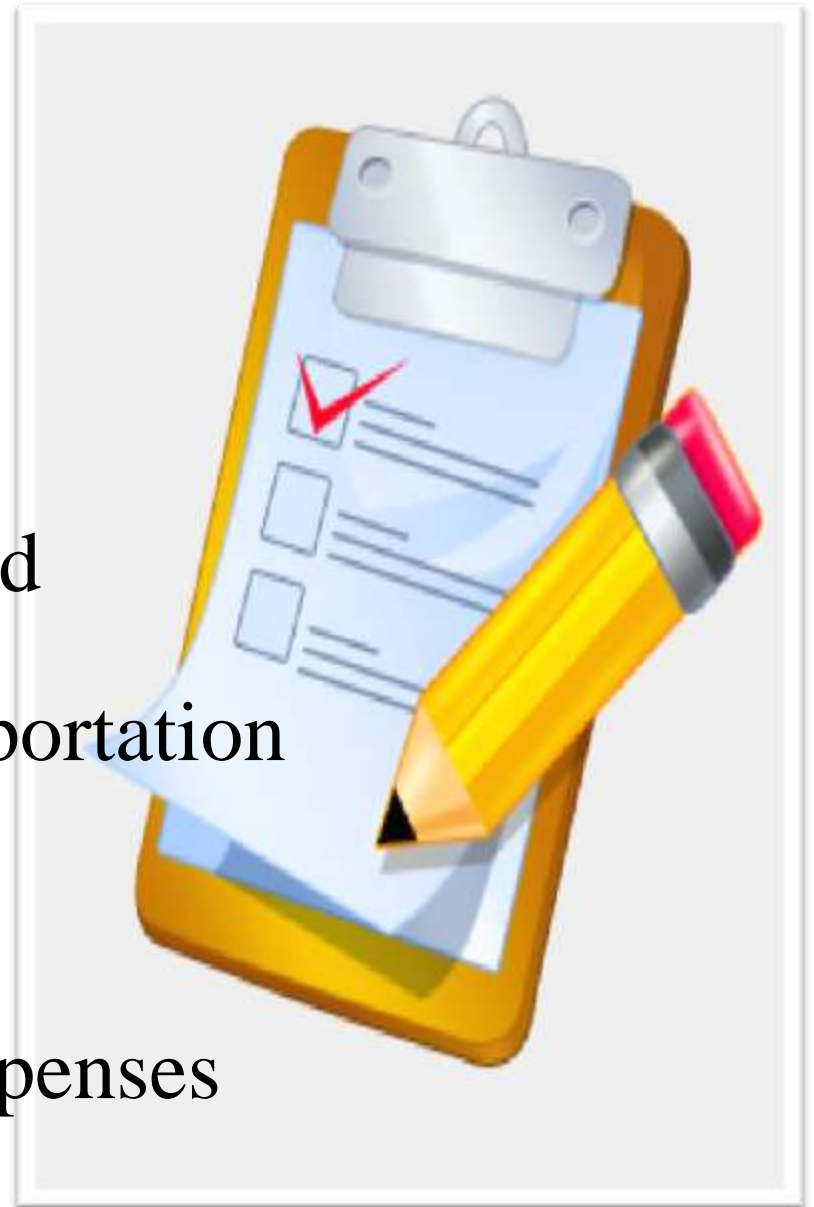
Cost of attendance (COA)

- Expected family contribution (EFC)

= Need

# Cost of Attendance

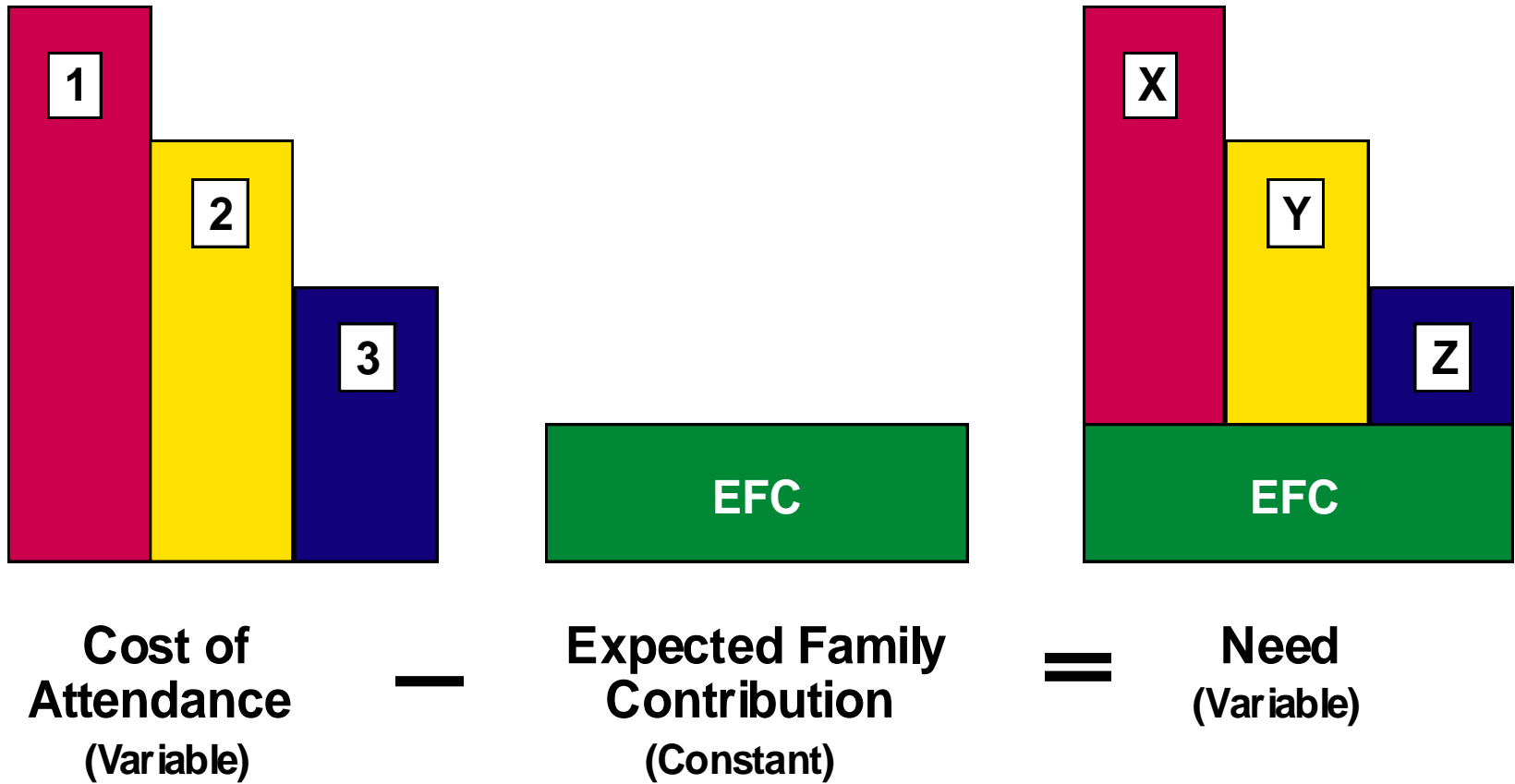
- Tuition and fees
  - Room and board
- Books, supplies, transportation
  - Loan fees
- Disability-related expenses



# Expected Family Contribution (EFC)

- Amount family can *reasonably* be expected to contribute
- Stays the same **regardless** of college
  - Two components:*
    - Parent Contribution
    - Student Contribution
- Calculated using FAFSA data and a federal formula

# Need Varies Based on Cost



# What is Financial Aid???

- Scholarships
- Grants
- Loans
- Employment opportunities



# Types of Aid:

- **Gift aid:** Grants and scholarships (need-based or merit-based)
- **Self-help aid:** Loans and employment (need-based or non-need-based)



# Federal Pell Grants

- Eligible undergraduate students
  - Portable
- Actual award amount based on EFC and enrollment status
- Maximum award for **2011-12 = \$5,550**

*\*\*The maximum amount for 2012-13 is still unknown at this point\*\**

# Federal Supplemental Educational Opportunity Grants (FSEOG)

- Eligible undergraduates
- Awarded to students with “*exceptional financial need*”
  - Pell Grant recipient
- Annual award amounts **\$100-\$4,000**

# Teacher Education Assistance for College and Higher Education Grant (TEACH Grant)



- **3.25 GPA** or qualifying score on admissions test
- Agree to teach full time for at least 4 years within 8 years of graduation at a school serving a high % of low income students
- Agree to teach a specific high need subject area
  - **\$4000** annual maximum
- Repayment required if service obligations are not met (grant becomes loan)



# Federal Work-Study

- Undergraduate and graduate students

Employment may be on or off campus

- Students earn a monthly paycheck

# Federal Perkins Loans

- Priority given to students who show “*exceptional need*” as defined by school
- Maximum loan amount **\$5,500**
- **5%** interest rate
- **9** month grace period
- Deferment and cancellation provisions available

# Stafford Loans

- *Subsidized*: Must demonstrate “need”
- *Unsubsidized*: Not based on “need”
- Base annual loan limits:
  - **\$3,500** for 1<sup>st</sup> year undergraduate
  - **\$4,500** for 2<sup>nd</sup> year undergraduate
  - **\$5,500** for each remaining undergraduate year
- *All* students are now eligible for an additional **\$2000** per year in Unsubsidized Stafford

# Stafford Loans (cont'd)

- Fixed interest rate 2011-12:
  - Subsidized: **6.8%**
  - Unsubsidized: **6.8 %**
- 6 month grace period
- **10-30** year repayment period
- Deferment and cancellation provisions available

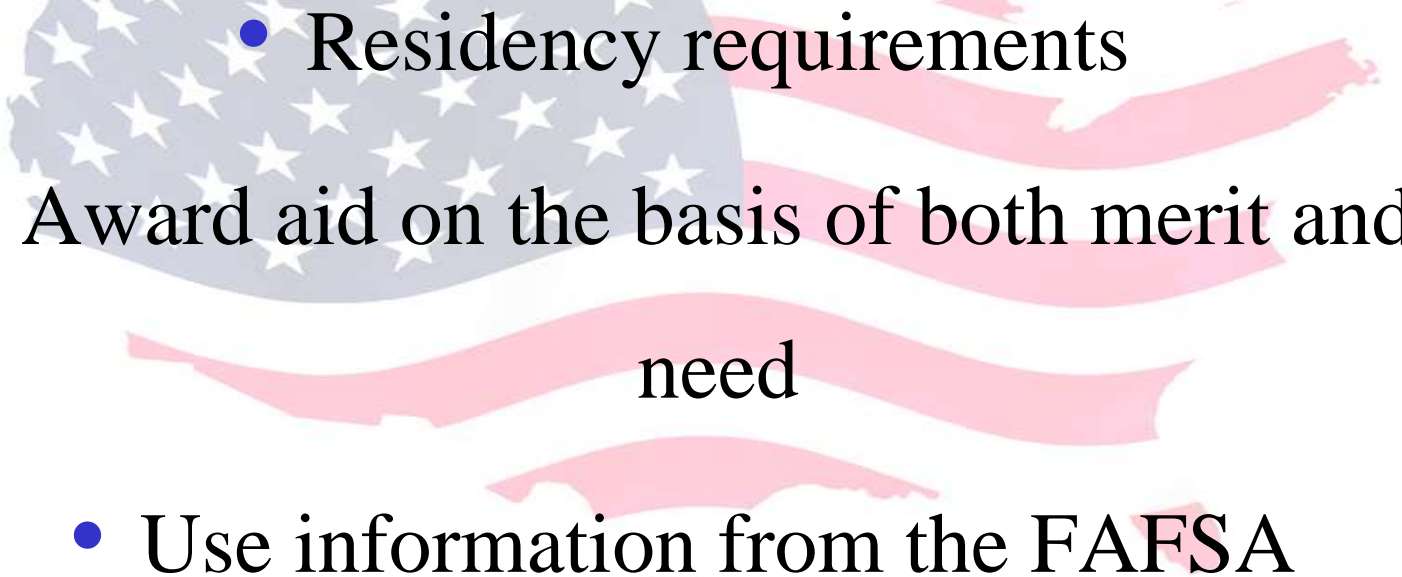
# PLUS

- Annual loan limit: COA *minus* other aid
- Repayment begins 60 days after loan is fully disbursed
- Fixed interest rate
  - 7.90 % for Direct PLUS loans

# Other Sources of Funds

- State grants, scholarships and loans
- School need-based and non-need-based programs (e.g., academic, athletic, and other talent-based scholarships and grants)
  - Private business scholarships
- Civic organization scholarships (e.g., PTA, Elks Club, etc.)

# State Aid

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- Residency requirements
  - Award aid on the basis of both merit and need
  - Use information from the FAFSA

# Private Scholarship Search

FREE Internet scholarship search engines:

- FinAid on the web: [www.finaid.org](http://www.finaid.org)
- College Board: [www.collegeboard.com](http://www.collegeboard.com)
- FastWeb: [www.fastweb.com](http://www.fastweb.com)
- GoCollege: The Collegiate Websource:  
[www.gocollege.com](http://www.gocollege.com)

# Role of the Financial Aid Office



- **Determines aid eligibility using federal formula**
- **Packages aid depending on availability of funds**
- **Sends award notification including:**
  - Award amount for **each** program for which student is eligible

Good Luck!

