



# FINANCIAL AID

*The Basics and then some.....*

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# Before we start....

Begin with a positive attitude!

- Don't assume that you cannot afford a post-secondary education
- Involve your child/family in the admission and financial aid application process



# Before we start....

- Discuss your ability to pay for college with your child or family throughout the application process
- Ask questions along the way – each school has their own unique approach to financial aid

# Financial Aid

- *Financial Aid* = Assistance for students to fund their education in the form of:
  - Grants
  - Scholarships
  - Loans
  - Student Employment



# Categories of Financial Aid

- Merit based Aid
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- Need-based Aid

# Merit-Based Aid

- *Merit-Based Aid* = grant assistance given to students strictly on the basis of merit
- Award usually remains the same over the course of the student's academic career
- Merit may be defined in a variety of ways
  - Academic record (SAT, ACT, GPA, HS RANK)
  - Special characteristics ( ex. Leadership, Creativity)
  - Skills or talents ( ex. Musical, Athletic)
  - Involvement (ex. Community, Work)



## Merit-Based Aid

- Amounts can vary significantly from school to school
  - Rule of thumb: more competitive the institution – less merit based aid
- May or may not require an application, interview, submission of additional materials
- May require a student to apply for admission by an earlier date
- May be administered by an office other than the FA Office

# Need-Based Aid

- *Need-Based Aid* = aid awarded to students on the basis of financial need  
Re-evaluated each year as financial situations may change.
  - Need will vary based on cost of attendance of the school
  - Determination of need could be based on the FAFSA, CSS Financial Aid PROFILE or both



# How do you apply for need based aid?

- Complete the Free Application for Federal Student Aid (FAFSA)
  - The FAFSA on the Web Worksheet (FOTW) is a great tool to help you work through the process
- Check with your school if they need additional forms
  - Some schools have their own forms
  - Schools may require a copy of tax returns, and/or W-2 forms
  - The CSS Financial Aid PROFILE may also be required at some institutions



# What Is The FAFSA?

- Free Application For Federal Student Aid (FAFSA)
- A standard application that collects financial & demographic data about the student & parent
- Used to apply for federal & state aid (may be application for college aid, depending upon the school)
  - File one FAFSA per student (not one per college)
  - Need to file a FAFSA every year you seek assistance

# How/When to File the FAFSA?

- Ways To Complete the FAFSA:
  - On-line at [www.fafsa.gov](http://www.fafsa.gov)
- Complete as soon as possible after **January 1** at [www.fafsa.gov](http://www.fafsa.gov)
- Make sure you select the FAFSA for the school year you are planning to attend

Make sure you file by your school's deadline for aid. Check with your school if you do not know the filing deadline.



# Filing The FAFSA

- Based on prior calendar year tax information
- May use estimated income and taxes
- Students need to be encouraged to apply even if they are not sure of their attendance at a particular school
- Don't wait to be accepted to college to file for financial assistance

# Deadlines



- Check each institution for their specific deadline date
- State or federal deadline dates may differ so make sure you are meeting all timelines

# Financial Need

$$\frac{\text{Cost of Attendance} - \text{Expected Family Contribution}}{\text{Financial Need}}$$

(Expected Family Contribution = EFC)



# Cost of Attendance

Cost of Attendance typically includes:

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- Tuition & fees
- Room & board
- Books & supplies allowance
- Personal expenses allowance
- Transportation allowance



# What Is The Expected Family Contribution (EFC)?

- EFC is determined by a formula that considers a student and parents' financial situation
- Amount a family can reasonably be expected to contribute to the student's education during the school year
- EFC & Financial Need are guidelines used by schools to determine aid package
- Formula used by the FAFSA is the Federal Methodology



# How Is The EFC Calculated?

## Primary Factors Considered:

- Taxable Income: AGI (wages earned + interest dividends + other taxable income)
- Untaxed income & benefits
- Number in family
- Number of dependent children in college
- Assets



# How Is The EFC Calculated?

For more detailed information on how the EFC is calculated visit:

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

[www.collegeboard.com](http://www.collegeboard.com)

Select Financial aid calculators

# Institutional Methodology

- Some schools may require the CSS Financial Aid PROFILE
  - Primarily used by private schools
  - Collects supplemental data (home equity, financial data of non-custodial parent, etc.)
  - Basis for awarding institutional need-based aid only
  - Register to complete form at [www.collegeboard.com](http://www.collegeboard.com)
  - There is a fee associated with the completion of the CSS/Financial Aid PROFILE



# Sources of Aid

- Federal
- State
- School / College / University
- Private / Outside Organizations
  - Civic organizations (ex.–local Rotary Club, parent's employer, churches)



# Federal Grant Aid

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant SEOG
- Teacher Education Assistance for College & Higher Education Grant (TEACH)



# Federal Work and Loan Aid

- Federal Work Study
- Federal Perkins Loan
- Federal Nursing Student Loan
- Federal Direct Loan
- Federal Direct PLUS Loan



## State Aid

- Awards may be merit or need based
- May require some type of residency requirement
- Deadlines for applying for state aid may vary from state to state
- Contact your state higher education assistance agency for specific details on their programs of aid



# College/University

- Many schools offer their own sources of aid. Understand that funding varies from school to school therefore aid packages may vary significantly
- Funds may be merit or need based aid
- Check with each school you are interested in about their policies, application forms, process & deadlines

# Outside Sources

- Private sources of scholarship funds include:
  - Service/Fraternal Organizations
  - Employers/Business
  - Churches/Religious Groups

The web is an excellent resource for parents, students and counselors to seek free scholarship assistance



# Additional things to consider

- If you have unusual or special circumstances that may impact your ability to finance your education inform your school about your situation
- Follow up with all requests for additional information from your school, federal or state agency
- You need to reapply for need based aid every year
- If your family financial situation changes from year to year your need based aid package may also change
- Contact the Financial Aid Office with your questions or concerns regarding the financial aid process



# Questions?

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**Thank you for your  
attention and GOOD LUCK**