



# UNDERSTANDING COLLEGE FINANCIAL AID

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What do you think of when you hear  
“College Financial Aid”?



# Topics We Will Discuss

- Cost of College
- What is Financial Aid?
- Need vs. Merit-Based Aid
- Financial Aid Applications
- Types of Financial Aid
- Loans
- Managing the College Expense
- Resources

# The Costs of Going to College

**Tuition & Fees**

**+ Books & Supplies**

**+ Housing**

**+ Food**

**+ Misc. Personal Expenses**

**+ Transportation**

**= COST OF ATTENDANCE**



# Understanding the Cost (National Averages): Average Full-Time Undergraduate Budgets, 2022-2023

Type of School	Tuition & Fees	Room & Board	Books & Supplies	Travel	Other Expenses	TOTAL "Sticker" Price
<b>Public Two-Year In District</b>	\$3,860	\$9,610	\$1,460	\$1,870	\$2,430	<b>\$19,230</b>
<b>Public Four-Year In State</b>	\$10,940	\$12,310	\$1,240	\$1,250	\$2,200	<b>\$27,940</b>
<b>Public Four-Year Out of State</b>	\$28,240	\$12,310	\$1,240	\$1,250	\$2,200	<b>\$45,240</b>
<b>Private Four- Year</b>	\$39,400	\$14,030	\$1,240	\$1,070	\$1,830	<b>\$57,570</b>

- Prices shown are for ONE ACADEMIC YEAR
- Prices are “sticker” price, **BEFORE** any potential financial aid
- Source: College Board: Trends in College Pricing 2022

# What is Financial Aid?

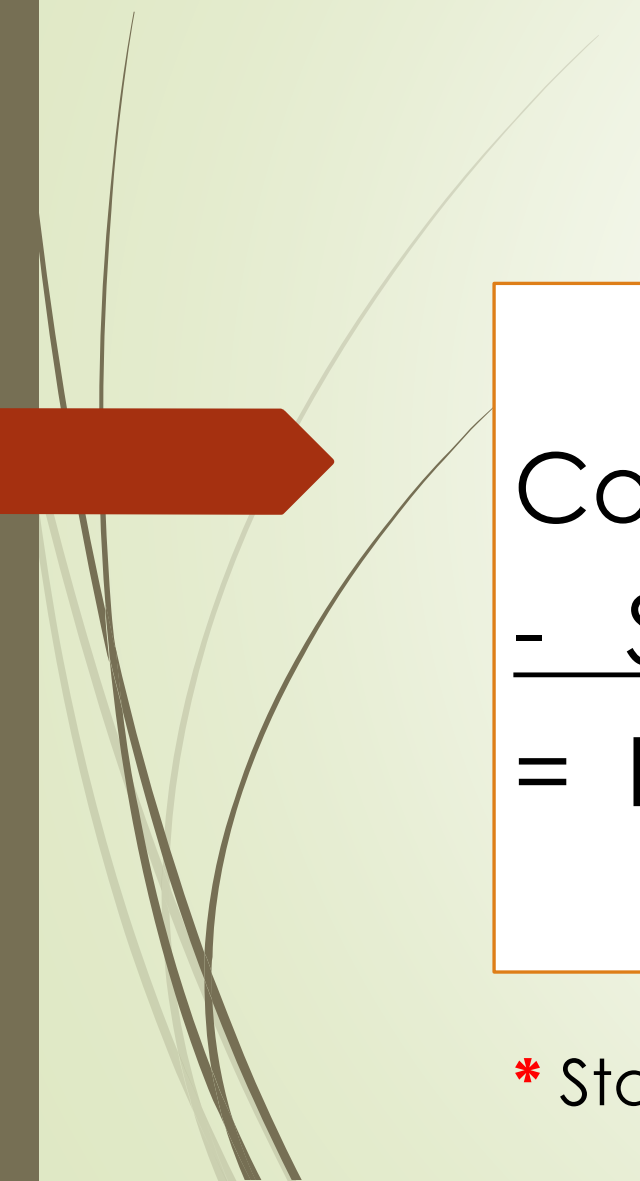
- Financial aid includes all funds made available to students to help pay for postsecondary educational expenses that do not come from their family

## **Sources:**

1. Federal Government
  2. State Governments
  3. Colleges & Universities
  4. Private sources
- It can come in the forms of grants, scholarships, loans, and student employment

# What is Financial Need?

## *The “Formula”*


$$\begin{array}{l} \text{Cost of Attendance} \\ - \text{Student Aid Index}^* \text{ (formerly EFC)} \\ \hline = \text{Financial Need} \end{array}$$

\* Starting with the 2024-2025 Award Year



# What is Student Aid Index?

**A measurement of student's and family's ability (not willingness) to pay postsecondary expenses**

## **Two Parts**

- Student Contribution
- Parent(s) Contribution

## **Factors Considered**

- Income (biggest driver!)
- Assets – Ex: Savings, Investments (not retirement), 529 College Savings Plans
- Number in Family

Constant – doesn't change between schools



# Types of Financial Aid

## Need-Based Aid

- > Does **not** discriminate by any factor apart from **financial need**
- > Eligibility is based ***solely*** on the assets and income of the student and his or her parent(s) (if a dependent student)

# Types of Financial Aid...continued

## Merit-Based Aid\*

- > Based on a variety of talents and interests: academic, artistic, athletic, etc.
  - > Scholarships and grants are the most common types
  - > May come from the school or outside sources
  - > ***Assuming need is not a condition, students and/or parents with extensive assets and income are just as entitled to a merit-based award as those with limited assets and income***
- \* Could be a combination of need-based and/or merit-based

# Types of Financial Aid...continued

## Free money (does **not** have to be paid back)

- > Scholarships – typically *merit* based
- > Grants – typically *need* based

## Self-help

- > Student Loans – **must** be paid back! \*
- > Parent Loans – **must** be paid back! \*
- > Employment (work study)



\* Unless you qualify for an exception. Otherwise, loans can't be cancelled because you didn't get the education or job that you expected, you didn't complete your education, or your college's sports teams had losing records! Master Promissory Note must be signed.

# Financial Aid – Applications

1. FAFSA
  - Free Application for Federal Student Aid
2. CSS/Financial Aid Profile
  - Used by many private college & universities
3. State specific financial aid applications



# The “FAFSA” – it all begins here!

- Free Application for Federal Student Aid (FAFSA)
- Collects demographic and financial information (income and assets) about the student and his or her parent(s) (if a dependent student)
- Calculates the **Student Aid Index (SAI)** – *The measure of the family's financial strength*
- **In addition, most state governments and colleges start with the FAFSA to determine eligibility for non-federal aid**

Colleges are **not** obligated to meet all of the student's financial need; if they don't, the student/parent(s) are responsible for the shortfall.

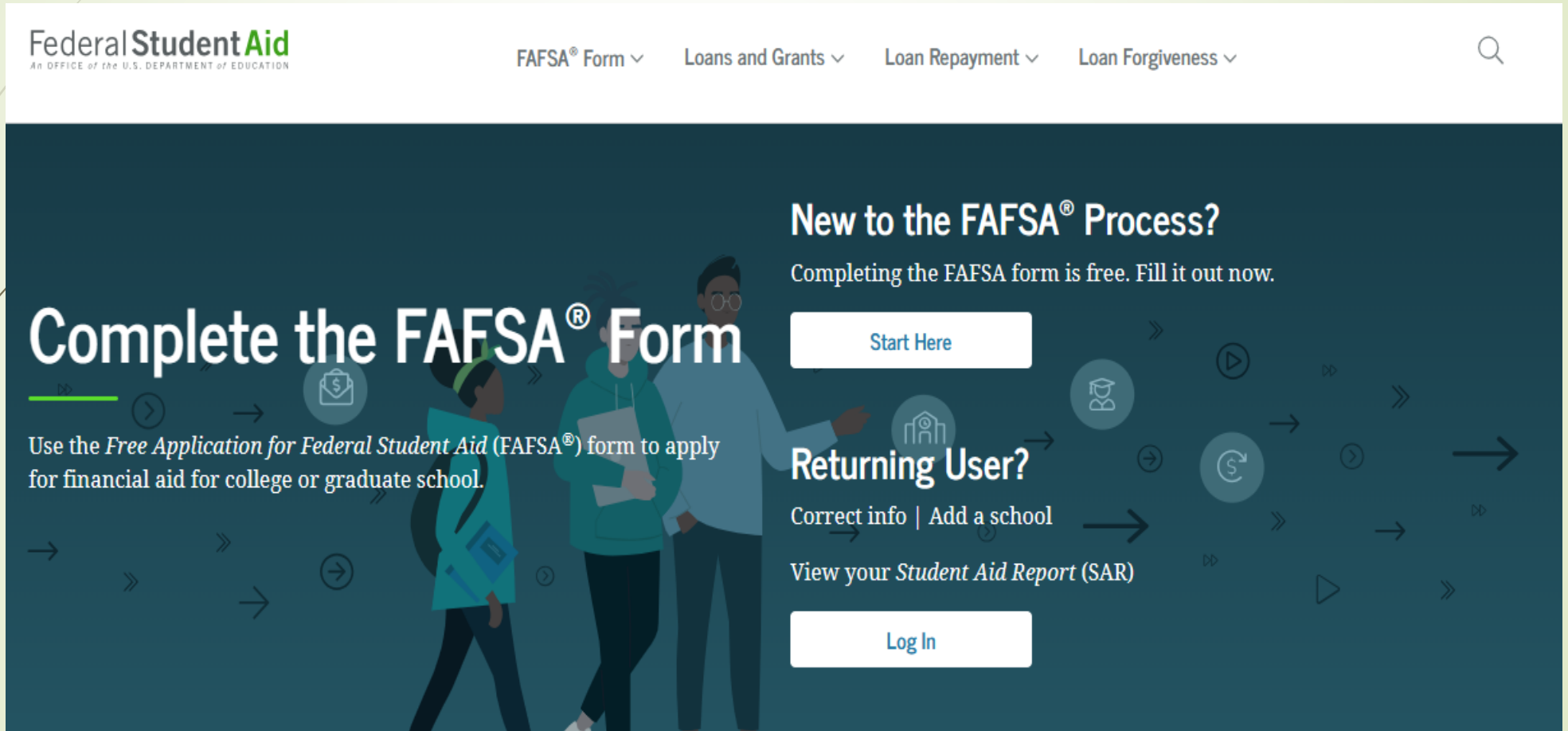
# Federal Student Aid ID

- Student and one parent must create a Federal Student Aid ID (FSA ID) on the FAFSA website
  - If student is married, student's spouse must also get a FSA ID (for IRS data transfer consent)
- If you are the parent of a dependent student, you will need your own FSA ID
- Obtain the FSA ID's before starting the FAFSA application!

# The FAFSA...continued

- Completing the FAFSA is free and gives you access to **federal student aid**:
  - Federal Grants / Loans / Work-Study Program
- **Apply online (recommended)** - or complete/mail in a paper copy
  - studentaid.gov
  - Filed with the U.S. Department of Education
  - In a few days after filing, an email will be sent to the student regarding the processing of their FAFSA and their FAFSA Submission Summary
  - FAFSA Helpline: (800) 433-3243

# studentaid.gov

The image is a screenshot of the studentaid.gov website. The header is white and contains the 'Federal Student Aid' logo on the left, navigation links for 'FAFSA® Form', 'Loans and Grants', 'Loan Repayment', and 'Loan Forgiveness' in the center, and a search icon on the right. The main content area has a dark blue background with an illustration of three students. On the left, a large white heading reads 'Complete the FAFSA® Form', followed by a subtext: 'Use the Free Application for Federal Student Aid (FAFSA®) form to apply for financial aid for college or graduate school.' To the right of this, there are two sections. The first is 'New to the FAFSA® Process?' with the text 'Completing the FAFSA form is free. Fill it out now.' and a white button labeled 'Start Here'. The second is 'Returning User?' with the text 'Correct info | Add a school' and 'View your Student Aid Report (SAR)', followed by a white button labeled 'Log In'. The background of the main content area is decorated with various icons like a wallet, a graduation cap, and a dollar sign, along with arrows pointing in different directions.

# The FAFSA...continued

- Fill out and submit the FAFSA as soon as possible **on/after October 1** (for next year's academic school year)
  - **NOTE: For 2024-2025 Academic Year, FAFSA won't be available for filing until December 2023 (as form is being significantly redesigned and simplified)**
- 2024-2025 academic year uses 2022 income tax information
  - Must use IRS Direct Data Exchange (to import income tax info.)
- FAFSA results are sent to each school listed
  - Up to **20** schools can be listed / even before applying
- Must be filled out for **each** academic year, for **each** student



# General Eligibility Requirements for FAFSA

## Student:

- Must have a valid Social Security Number
- Must be enrolled or accepted for enrollment in an eligible program of study
- Must be pursuing a degree, certificate, or other recognized credential
- Must be a U.S. citizen or eligible noncitizen

**Review all eligibility rules at [studentaid.gov](https://studentaid.gov)**

# Aside From the Student, Who Reports Info on the FAFSA?

## YES

- Married parents living together
- Biological parents living together
- Divorced or separated parents:
  - If parents are divorced or separated, **the parent who provided the most financial support will now complete the FAFSA\***
- Stepparent – if part of the student's household
- Adoptive parents

## NO

- Foster parents
- Legal guardians (by court order)
- Anyone else living with the student



\* Starting with the 2024-2025 FAFSA

# Plan to complete the FAFSA together!

Plan a night to  
complete together!

It goes so much  
smoother when the  
student and parent  
tag-team it!



# Types of **Federal** Financial Aid

## **Grants & Scholarships**

- **Federal Pell Grant (need based)**
  - Maximum award for 2023-24 school year = \$7,395
- **Federal Supplemental Educational Opportunity Grant (need based)**
  - Maximum award for 2023-24 school year = up to \$4,000
- **Federal TEACH Grant (non-need based)**
  - Maximum award up to \$4,000 per year

# Types of **Federal** Financial Aid...con't

## Student Loans

Direct Loans (fixed interest rates) – available to ALL eligible students

- Subsidized Loans (need based)
- Unsubsidized loans (non-need based)
- No credit check
- NO payment required while student is in school & during 6-month grace period
- Flexible repayment options
- U.S. Department of Education is the lender
- Direct Loan Dollar LIMITS > Based on academic year of school / aggregate limit also applies



# Types of **Federal** Financial Aid...con't

## **PLUS Loans (non-need based)**

- Available for:
  - **Parent's** of dependent undergraduate students
    - May be able to borrow ***up to the cost of attendance***, less any other financial aid received
- Subject to a credit check / borrower must not have a negative credit history
- Non-subsidized

# Other Types of Loans

## Private Loans

- Borrow through a private lender (bank/credit union/other)
- May borrow up to the cost of attendance
- Private lender performs a credit check to determine approval for loans
- May require a co-signer if applicant has adverse credit or lack of credit
- **READ THE FINE PRINT!** – fees, interest rate, repayment terms, etc.

## State Sponsored Educational Loans

## Family Loans

## Home Equity Loans

## Company Savings Plan Loans (401(k), 403(b))

# CSS/Financial Aid Profile

- Required by many **private** colleges and universities (about 300) to determine your **eligibility for non-government financial aid**, such as the institution's own grants, loans and scholarships
- Generally submitted in addition to the FAFSA
- **The CSS/Profile contains (additional) questions specific to the school or program that you're applying for**, where as the FAFSA contains the same questions for everyone
- There is a cost to filling out the CSS/Profile / fee waivers available
- Customer Support 844-202-0524
- Website to submit Profile: <https://cssprofile.collegeboard.org/>

# College Grants & Scholarships

**Factors that may influence merit-based grants & scholarship eligibility:**

Academics	Athletic Ability
SAT Scores	Geographic Diversity
AP Courses	Legacy (child of alumni)
Activities	Talent
Academic Track	Gender / Ethnicity
H.S. Attended	Class Rank

Contact your college's financial aid office for eligibility requirements, applications, terms of any award, and deadlines.



## Scholarships and Financial Aid

Every month beginning in September, a list of national, state and local scholarships is compiled from the Counseling Center. The list of scholarships is available to all students via their [Naviance](#) account. Hard copies can be found in the Counseling and Career Center as well. Some hard copies of scholarship applications may be available in the Counseling Center, located in the "SCHOLARSHIPS" BINDER and may also be available in PDF form on the district website below. Specific college related scholarships can be found on the individual college's website.

Below you will find a list of scholarships available for each month. If you have any questions, please stop in to see your counselor.

[Ichabod Crane High School](#)

[Bell Schedule](#)

[Class Advisors](#)

[Clubs and Activities](#)

[Counseling and Career Center](#)

[College & Post Graduate](#)

[Exploration Events](#)

[High School Class Profiles](#)

[K-12 Comprehensive School](#)



# Private Sources of Grants/Scholarships

- Foundations, businesses, churches, civic and charitable organizations (Ex: Elks Club, Sons of Italy)
- Deadlines and applications procedures vary
- Begin researching private sources early
- Start local...then branch out
  - *Smaller fish to bigger fish!*



# New York State Sponsored Financial Aid

- **Tuition Assistance Program (TAP)**

- Awards up to \$5,665 to help pay tuition at approved schools in NYS

- **Excelsior Scholarship**

- Allows students to attend a SUNY or CUNY college **tuition-free!**
  - Does not cover room, board or other fees



- **Enhanced Tuition Awards**

- For eligible students attending a participating **private** college in NYS

- **hesc.ny.gov**

**Must meet income, NYS residency, and other eligibility requirements!!!**

# Award Letters

- Issued by colleges
- Outlines the financial aid for which the student qualifies
- Sent out AFTER accepting the student for admittance
- The letter typically include:
  - Federal loan amounts (that have to be repaid)
  - Grants
  - Scholarships
  - Work-study offers

**Know the “terms” of any awards offered!!!**

March 18, 2019

Congratulations on your acceptance to Siena College! I would like to take this opportunity to welcome you to the Siena community and to detail your financial aid award:

**Total Estimated Resident Direct Cost of Attendance for 2019-2020** \_\_\_\_\_ **\$54,560**

**Scholarships and Grants**

Franciscan Scholarship	\$17,500
St. Francis Scholarship	\$2,750
Siena Grant	\$5,500
NYS TAP Grant	\$500

Total Scholarships and Grants ("Gift" aid; no repayment needed): \_\_\_\_\_ **\$26,250**

**Net Cost for 2019-2020 after Scholarships and Grants:** \_\_\_\_\_ **\$28,310**

**Student Loan Options**

Subsidized Federal Direct Stafford Loan	\$3,500
Unsubsidized Federal Direct Stafford Loan	\$2,000

Total Student Loan Options: \_\_\_\_\_ **\$5,500**

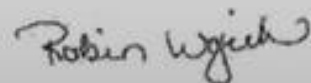
**Net Cost for 2019-2020 after Scholarships, Grants and Loans:** \_\_\_\_\_ **\$22,810**

**Recommended work options**

Federal College Work-Study	\$1,500
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For more details on these and the terms of your financial aid awards, please visit: [www.siena.edu/fa/addendum](http://www.siena.edu/fa/addendum). If you have any questions, please do not hesitate to reach out to the Financial Aid Office at 518-783-2427 or [aid@siena.edu](mailto:aid@siena.edu). We are always available to discuss financing options, how to compare aid awards and anything else on your mind.

Sincerely,



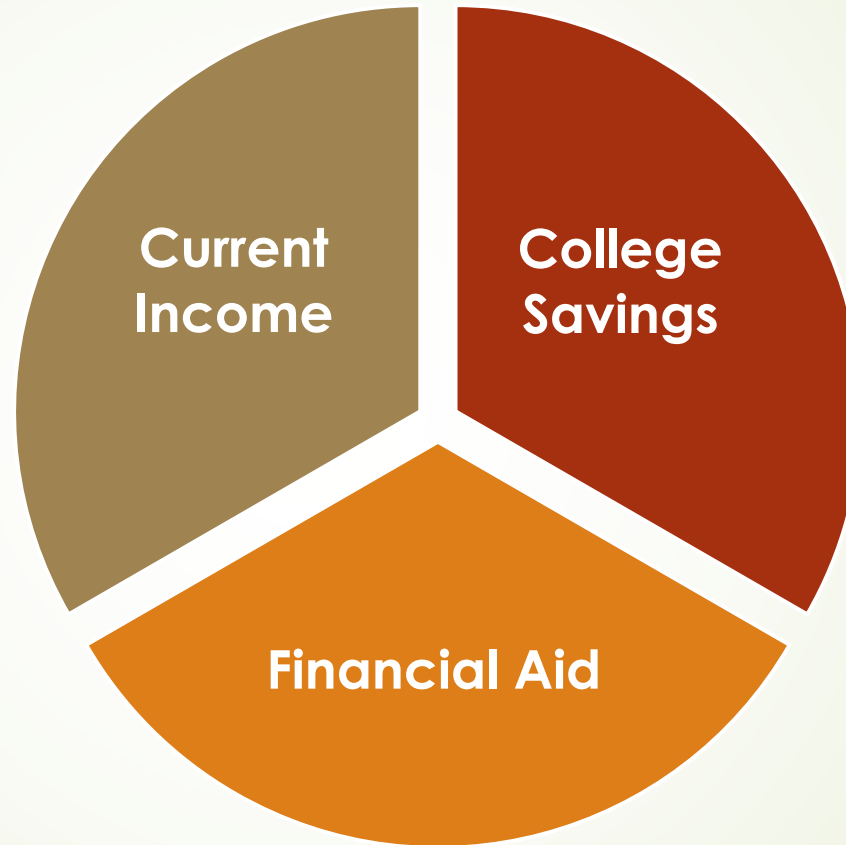
Robin Wojcik  
Director of Financial Aid

# Tax Credits for College

- American Opportunity Credit (Federal)
  - > Up to \$2,500 in tax credit *per eligible student*
- Lifetime Learning Tax Credit (Federal)
  - Up to \$2,000 *per tax return*
- NYS Tuition Tax Credit (State)
  - Up to \$400 *per eligible student*

***Eligibility requirements apply / claimed on Federal/State tax returns***

# A Common Strategy for Meeting College Costs



**Everyone's pie percentages will look different!**



# College Funding Resources

- [Studentaid.gov](http://Studentaid.gov)
  - EXCELLENT resource for FAFSA, Federal loans & grants
- [www.fastweb.com](http://www.fastweb.com)
- [www.CollegeBoard.org](http://www.CollegeBoard.org)
- [www.scholarships.com](http://www.scholarships.com)
- [www.hesc.ny.gov](http://www.hesc.ny.gov)
- [www.collegescorecard.ed.gov](http://www.collegescorecard.ed.gov)



# Managing the College Expense

- Select a “good fit” school
  - Academic / Expense / Scholarship / Grants
- Research the right major
- Graduate on time!
- Earn college course credit while in high school
- Community College route
- In-state college / live at home
- Military / ROTC
- Part-time employment / Resident Assistant
- Choose your meal plan carefully
- Buy used or rent text books

Graduation will be here soon!!!

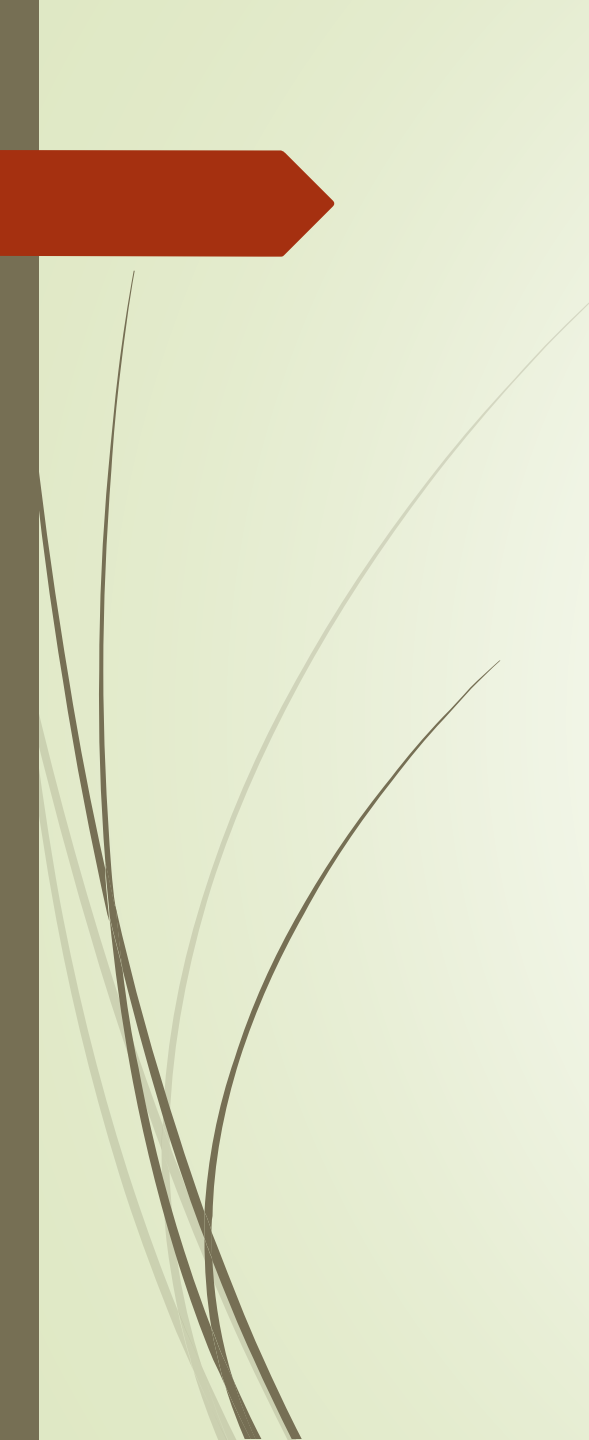




**THANK YOU FOR LISTENING!**



**ANY QUESTIONS?**



Note: Eligibility rules and information discussed in this presentation is subject to change; please check websites noted and all references for latest eligibility rules and up to date information.