

# 2022 - 2023 Financial Aid High School Presentation

**Jim Anderson**  
**Director of Financial Aid**  
**Montclair State University**



# The Mission

The New Jersey Higher Education Student Assistance Authority is the only State agency with the sole mission of providing students and families with the financial and informational resources to pursue their education beyond high school.

# What We Will Discuss Tonight

- What is financial aid?
- How is eligibility determined?
- What is the Expected Family Contribution?
- Types and sources of financial aid
- Financial aid packaging; comparing offers
- Special circumstances
- Consumer Issues
- Overview of the FAFSA and Profile Form

# What Is Financial Aid

- Generally speaking, financial aid includes all funds made available to students that do not come from their family.
- Sources are the federal and state governments, the colleges themselves and private sources
- It comes in the form of grants, scholarships, loans and student employment

# What Forms are Required and When?

- Free Application for Federal Student Aid (FAFSA)
- College Board Profile Form
- Institutional Forms
- Verification Documents
- Tax documentation
- Business Supplement
- Non-custodial parent information
- Know your school's requirements and deadlines

# Expected Family Contribution (EFC)

- EFC is an index number used by colleges to determine a student's financial aid eligibility.
- Derived from a formula that assesses contributions from the parents and the student
- The Federal EFC determines eligibility for federal programs.
- Some colleges use an institutional EFC to determine eligibility for institutional funds.
- EFC Calculator: Available on the College Board Web Site:  
<https://bigfuture.collegeboard.org/pay-for-college/paying-your-share/expected-family-contribution-calculator>

# How Is Eligibility Determined?

- Cost of Attendance (COA) - direct and indirect costs
- Expected Family Contribution (EFC)
- Federal vs. Institutional EFC; differences in assessment
- Special circumstances

# Cost of Attendance

- Tuition and fees
- Room and board
- Books and supplies, equipment, transportation, and miscellaneous personal expenses
- Loan fees
- Study abroad costs
- Expenses related to a disability



# Need

Cost of Attendance

Less Expected Family Contribution

Equals Need

# Types of Aid

## Help! Sources of Aid

- Federal
- State of New Jersey
- The College/University
- Outside Organizations
  - Civic organizations (ex.-local Rotary Club), parent's employer, high school awards

## Types of Financial Aid

- Grants
- Scholarships
- Loans
- Employment Opportunities

# Grants

- Gift aid; does not have to be repaid
- Most often awarded on the basis of need

# Scholarships

- A form of “gift aid,” does not have to be paid back
- Awarded on the basis of academic, artistic, athletics or other merit attribute

# Loans

- Must be repaid
- Federal loans
- Privately financed loans
- Terms vary significantly by program
- Borrow wisely
- Is it a good investment?

# Student Employment

- Offered by colleges using federal or institutional funds
- Part time
- Paid via a paycheck
- Not generally applied to the college bill

# Federal Aid Program 2021-2022

- Federal programs provide by a wide margin the largest portion of assistance
- Awarded primarily on the basis of need
- Students must apply each year
- Federal Pell Grant up to \$6,495 (EFC cut-off 5,846)
- Federal Stafford Loan
- Federal PLUS Loan
- Campus-Based Programs: SEOG and Federal Work-Study

# Federal Stafford Loans

Interest rate for Federal Stafford Loans for undergraduate students for the 2021-2022 academic year is 3.73% fixed plus a 1.057% origination fee

Grade Level	Dependent Undergraduate Student	Independent Undergraduate Student
Freshman	\$5,500 (max \$3,500 subsidized)	\$9,500 (max \$3,500 subsidized)
Sophomore	\$6,500 (max \$4,500 subsidized)	\$10,500 (max \$4,500 subsidized)
Juniors, Seniors and Beyond	\$7,500 (max \$5,500 subsidized)	\$12,500 (max \$5,500 subsidized)
Cumulative Limit	\$31,000 (max \$23,000 subsidized)	\$57,500 (max \$23,000 subsidized)



# Net Price Calculator

- All institutions must have a net price calculator posted on their websites.
- Students will be able to estimate the individual net price per institution.
- Based on full-time, first degree/certificate-seeking undergraduate students.

# Types of Aid

## State Grants & Scholarships

### **TAG (Tuition Aid Grant)**

- File FAFSA or New Jersey Alternative Financial Aid Application
- Demonstrate Financial Need
- Be a U.S. citizen, eligible non-citizen or NJ Dreamer
- Must be New Jersey Resident & attend a New Jersey Institution
- Must be full time at an approved degree program
- Meet all state deadlines
- Part-Time TAG for County Colleges
  - Meet all TAG requirements
  - With the exception of being enrolled for 6-11 credits

# Types of Aid

## State Grants & Scholarship

### EOF (Educational Opportunity Fund)

- Award ranges from \$200 - \$2,750 annually depending on type of institution
- Must demonstrate educational and economically disadvantaged background
- File FAFSA or New Jersey Alternative Financial Aid Application

### Governor's Urban Scholarship

- Rank within the top 5% of their class at the end of junior year
- Attain a 3.0 GPA at the end of the junior year
- Attend an approved New Jersey college or University and reside in a designated community
- File FAFSA or New Jersey Alternative Financial Aid Application
- Have a New Jersey Eligibility Index below 10,500

# Types of Aid

## State Grants & Scholarship

### NJ STARS

- NJ residents who rank in the top 15% of their class at either the end of junior or senior year
- Students must attain a cumulative GPA of 3.0 or higher at the start of the third semester at the county college to remain an NJ STAR
- File a FAFSA or New Jersey Alternative Financial Aid Application

### NJ STARS II

- Received NJSTARS funding and have a family taxable income of less than \$250,000
- Must earn an associates degree and graduate with a 3.25 GPA or higher
- May receive up to \$2,500 annually for a public or private 4-year NJ college or university
- Must take at least 12 college credits or 6 credits with a qualified doctors note
- File a FAFSA or New Jersey Alternative Financial Aid Application

# Types of Aid

## State Grants & Scholarships

### Governor's Industry Vocation Scholarship for Women & Minorities (NJ - GIVS)

- Up to \$2,000 per year for the cost of enrollment at one of New Jersey's 19 County Colleges, Technical / Vocational Schools, some Proprietary Schools
- Benefits women and minorities pursuing certificate or degree programs in construction – related fields
- Must be NJ resident and have an AGI < \$60,000
- File FAFSA or New Jersey Alternative Financial Aid Application
- Complete separate application online at [www.njgrants.org](http://www.njgrants.org)
- Some of the programs eligible for the scholarship include
  - Construction Supervision
  - Solar Energy Technology
  - Architectural Engineering Technology

# Types of Aid – State (cont.)

## Community College Opportunity Grant (CCOG)

- Tuition and Approved Fees
- AGI between \$0 - \$65,000
- Must be NJ resident attending a county college
- File FAFSA or New Jersey Alternative Financial Aid Application
- Minimum 6 credits per semester
- Make Satisfactory Academic Progress as defined for CCOG
- Must have a complete State grant record
  - All other federal or State grants will be deducted prior to CCOG award

# Garden State Guarantee

## Beginning Fall 2022 at New Jersey State Colleges and Universities

- Available for students in their third and fourth years of enrollment
- Tuition and Approved Fees free for AGI between \$0 - \$65,000
- Sliding scale pricing on tuition and fees for AGI \$65,000 and up
- Guaranteed pricing structure for all students throughout their academic program
- Must be NJ resident for at least 12 month prior to the start of the semester
- File FAFSA or New Jersey Alternative Financial Aid Application
- Make Satisfactory Academic Progress

# 3 + 1 Degree Completion Programs

- Student enrolls in a bona fide 3 + 1 major/degree program
- Student completes the first two years at the community college and earns an Associate Degree
- Pays community college tuition and fees for the associate degree and the third year of their program
- Attends and pays the four-year institution tuition and fees in the final year
- File FAFSA or New Jersey Alternative Financial Aid Application
- Meet all other eligibility criteria for TAG, NJSTARS, CCOG



# Self Help Loans to Cover the Gap

## *borrow up to cost of attendance*

### 2021 - 2022 - NJCLASS Supplemental Loan Program

- 10 Year Fixed Rate NJCLASS LOAN, starting at 2.99%  
15 Year Fixed Rate NJCLASS LOAN is 3.50%  
20 Year Fixed Rate NJCLASS LOAN is 4.75%  
All options have a 3% origination fee
- Federal PLUS Program 6.28% with a 4.228% origination fee  
Origination fee, Parent is the borrower
- Private Educational Loans – terms and underwriting vary significantly
- ELM Select – [www.elmselect.com/](http://www.elmselect.com/)

# Other Resources

- Outside Scholarships
- Campus Administered Payment Plans
- Campus Employment
- Specialized Campus Opportunities
  - ✓ Residential Advisors
  - ✓ Student Ambassadors
  - ✓ Student Tour Guides
  - ✓ Internships/CO-OP'S

# Other Resources

## Private Scholarship Search

- Institution/college web sites
- Local library resources
- Local businesses, civic organizations and churches
- Parent's employer(s)
- [www.hesaa.org](http://www.hesaa.org)
- [www.fastweb.com](http://www.fastweb.com)
- [www.collegeboard.org](http://www.collegeboard.org)
- [www.mappingyourfuture.org](http://www.mappingyourfuture.org)



# Financial Aid Packaging

- Entitlement/formula driven awards
  - Pell Grants
  - Tuition Aid Grants (TAG)
- Federal Stafford Loan
- Other Federal aid: SEOG and Federal Work-Study
- Institutional aid

# Institutional & Private Scholarships

- Factors that may influence eligibility:

Academics

SAT's

AP Courses

Activities

Academic Track

H.S. Attended

Athletic Ability\*

Geographic Diversity

Legacy (child of alumni)

Talent

Gender/Ethnicity

Class Rank

\* *Athletic awards offered by NCAA Division I and Division II schools only.*

# Financial Aid Packaging

- Institutionally funded grants and scholarships
- Need-based or merit-based?
- Differential or preferential aid packaging
- Schools meeting full need – far and few between
- Need gaps
- What is your bottom line?
- Difficult decisions

# Appeals

- If it is need-based be prepared to make your case that you have unmet need
- If it is merit-based, be sure you have a case to make that the student is deserving
- Set the right tone; do not try to “negotiate”
- Disclosing offers from other schools; is it a good idea?

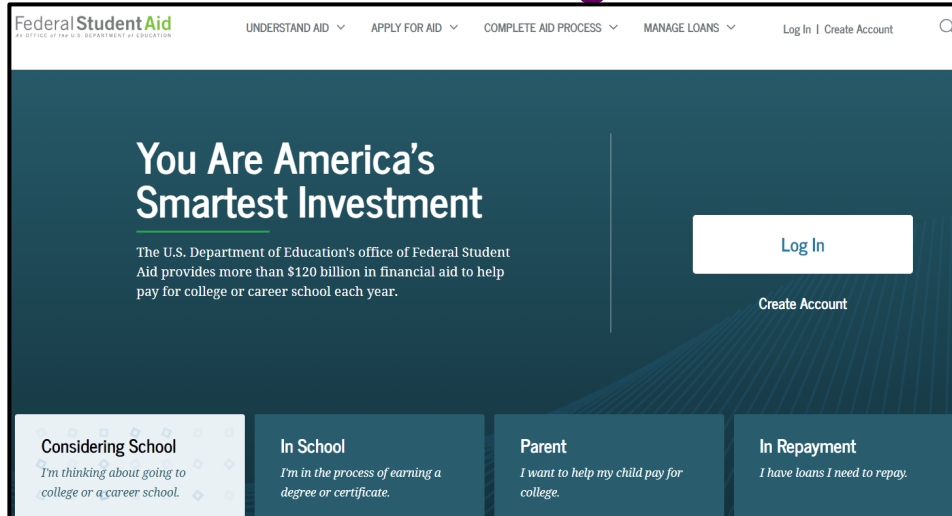
# Consumer Issues

- Need-based aid? Changes in need from year to year; will there be an adjustment in the future?
- Renewability of awarded aid; minimum GPA?
- Treatment of outside scholarships
- Scholarship scams
- Consultants: good or bad idea?
- Award offers; review them carefully

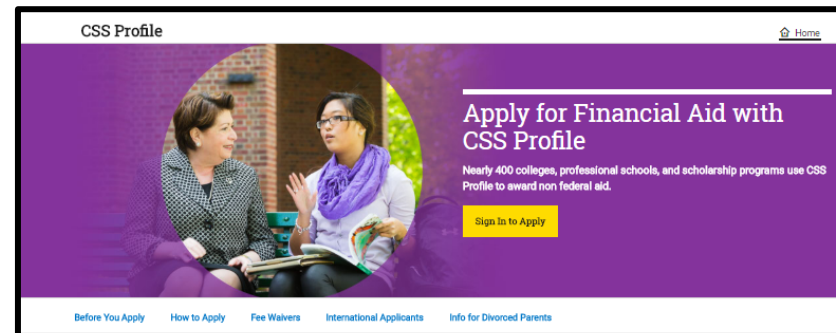


# Applications to Access Aid

studentaid.gov



student.collegeboard.org/profile



HESAA.org



# Free Application for Federal Student Aid (FAFSA)

- 2022-2023 FAFSA available October 1, 2021
- Collects family's personal and financial information used to calculate the student's Expected Family Contribution
- File the FAFSA electronically or via Mobile FAFSA, mobile phone or tablet
  - FAFSA on the Web at [www.studentaid.gov](https://www.studentaid.gov)
  - Apple or Android App - mystudentaid
- FAFSA Uses prior prior year income information (2020)
- Use the IRS Data Retrieval Tool to populate income & tax information with actual prior - prior year tax information
  - All prior prior year tax information (2020) is already filed, allowing immediate retrieval.

# Notification of Which Tax Year to Use

Applicants and parents will be instructed to provide financial information from their 2020 tax return

The screenshot displays a web form titled "Parent Tax Filing Status". At the top, a progress bar shows eight steps: Student Demographics, School Selection, Dependency Status, Parent Demographics, Parent Financials (the current step), Student Financials, Sign & Submit, and Confirmation. The first four steps are marked with green checkmarks, while the current step is marked with a pencil icon.

Below the progress bar, a dark blue tab labeled "PARENT INFORMATION" is active. A green-bordered box contains a green checkmark and the text "Application was successfully saved." Below this, a blue-bordered box with an information icon contains the text: "Attention! You must provide financial information from your parents' 2020 tax return on the following pages."

The form then contains three questions, each with a dropdown menu and a help icon (question mark):

- For 2020, have your parents completed their IRS income tax return or another tax return?  
Dropdown: Already completed
- What type of income tax return did your parents file for 2020?  
Dropdown: IRS 1040
- For 2020, what is your parents' tax filing status according to their tax return?  
Dropdown: Married-Filed Joint Return

# Federal Student Aid ID

- Student & one parent must create a Federal Student Aid ID (FSA ID) at [www.fsaaid.ed.gov](http://www.fsaaid.ed.gov)
- In order to enhance security, FAFSA has created a user name and password login to complete the FAFSA and sign all federal forms electronically
- If you are a parent of a ***dependent student***, you will need your own FSA ID
  - All parties must be verified by a mobile phone number or email when creating the FSA ID

# IRS Data Retrieval Tool

- The IRS data retrieval tool or (DRT) is used to transfer tax return information into the FAFSA
- The DRT will be available beginning October 1<sup>st</sup> to support early FAFSA
- Tax filers who file Married Filing Separately and foreign tax returns cannot use DRT
- Amended tax returns – original tax data will be transferred

# General Highlighted Eligibility Requirements for FAFSA

- 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

# Key Components of the FAFSA

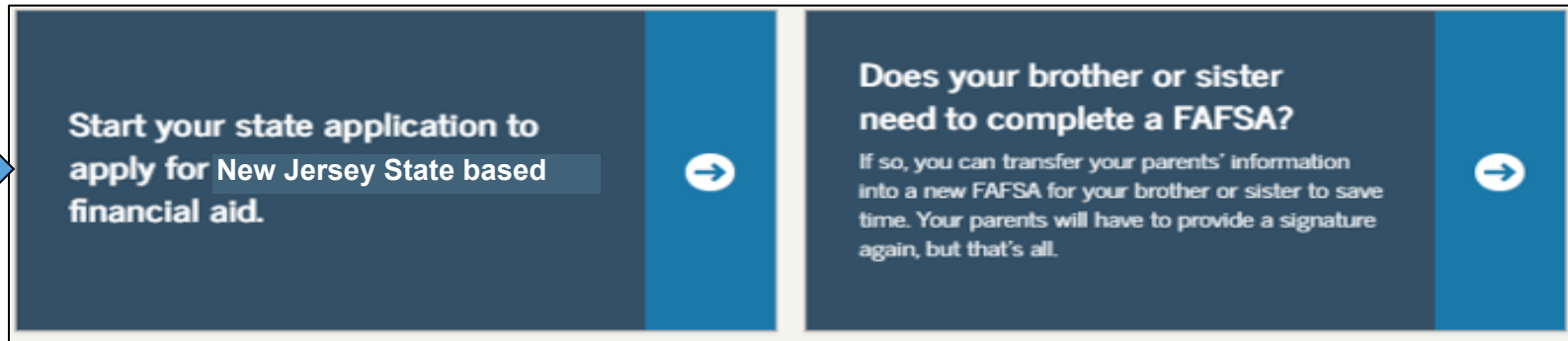
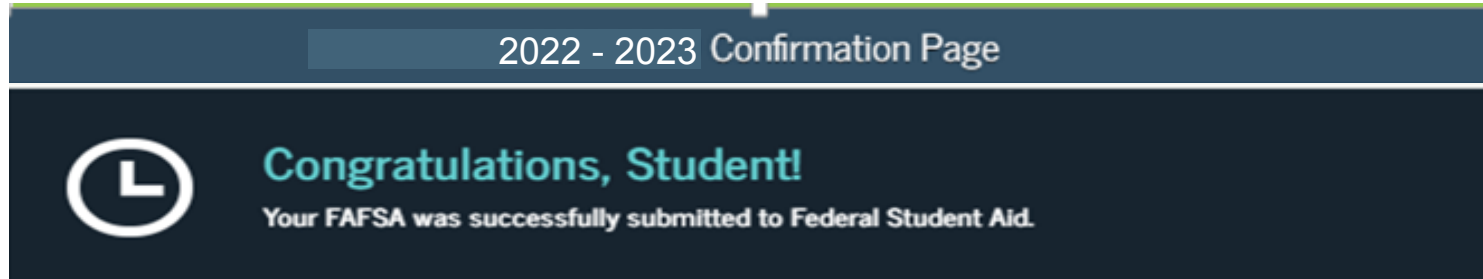
- Student Demographics
  - Full Name
  - Social Security Number
  - Date of Birth
  - NJ applicants must provide an answer to the driver's license questions
  - **ALL** applicants must indicate their gender
- Student Income and Assets
  - IRS Data Retrieval
  - Income earned from work
- Student Status: Dependent/Independent
- Parent Demographics-Who is a Parent?
  - Social Security Number
  - Last Name
  - Date of Birth

# Key Components of the FAFSA (cont.)

- Household Size
  - Number in college
- Parent(s) Income and Assets
  - IRS Data Retrieval
  - Income earned from work
  - Dislocated Worker
- Federal Means Tested Benefits
  - Medicaid, SSI, SNAP, Free or Reduced Price School Lunch, TANF, WIC
  - SNAP is now available for College Students
  - List all colleges of interest (up to 10)



# Click to Apply for State Aid



This link redirects filers to view instructions regarding the NJFAMS Student Portal. Applicants are instructed to log into “**NJFAMS.HESAA.org**” to create a user ID and password. In 3-5 business days, students can their check awards and eligibility status and complete any outstanding items on their “To Do” list (There is no State Application only a To-Do-List).

Please note, all notifications will be sent to the student email address listed on the FAFSA.

# Common Mistakes Made on the FAFSA

- Student's name as it appears on the social security card, social security number, and date of birth
- Parent section vs. Student section
- Number of people in the household
- Divorced/remarried households
- Taxes paid vs. taxes withheld
- Including untaxable social security benefits
- Parental and student assets
  - “Zero” is a number
- College grade level
- Skipping the gender question

# Federal & State Verification

Students are randomly selected, however, using the IRS DATA Retrieval Tool will reduce the likelihood of being selected

- SCHOOL is responsible for verifying information for federal aid except for special circumstances
- HESAA is responsible for verifying information for State aid
- School may send request for information by mail or e-mail
- Always check your school account and NJFAMS account for required tasks
- Be sure to meet verification deadlines

# New Jersey Dreamers

## Financial Aid Resources for New Jersey Dreamers

**The New Jersey Alternative Financial Aid Application allows NJ Dreamers enrolled in eligible New Jersey colleges and universities to apply for state financial aid.**

### **Who should complete this application?**

Complete this application if you are **not** a United States citizen or eligible noncitizen and meet all of the following criteria;

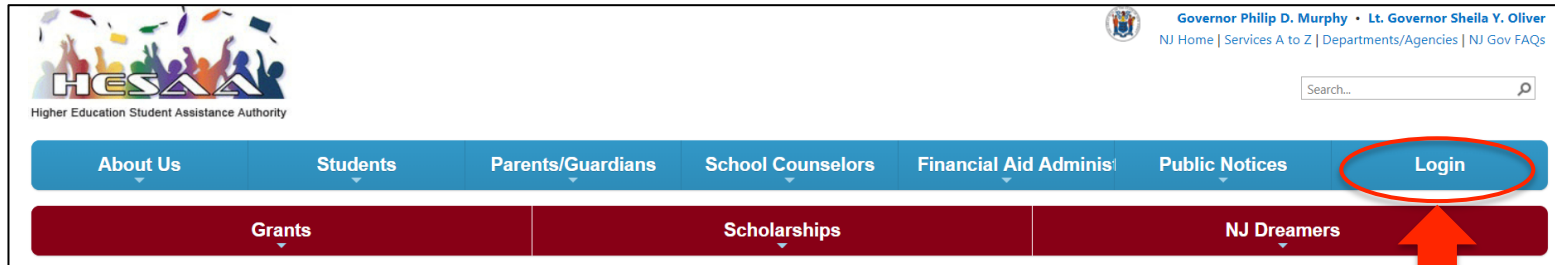
- Attended a New Jersey high school for at least three (3) years
- Graduated from a New Jersey high school **or** received the equivalent of a high school diploma in New Jersey
- Registered for [Selective Service](#) (male students only)
- Are able to file an affidavit stating that you have filed an application to legalize your immigration status **or** will file an application as soon as you are eligible to do so

NJ Dreamers Can Renew Their State Aid. Complete the Alternative Financial Aid Application. Click [here](#) to apply NOW.



- All students must go to HESAA.org
- Register for your account by creating a User ID and Password
- Log in to complete the application by established deadlines.

# NJFAMS



## Login Options

Welcome to HESAA's various login options. What you want to do, will determine where you need to login. Review the options below and select your tab!

NJFAMS

NJCLASS Family Loans

NJ Dreamers

Financial Aid Administrators

School Counselors

NJ STARS and GUS Acceptance

This is the New Jersey Financial Aid Management System which is designed for New Jersey students and financial aid officers. NJFAMS allows students to check award status, check your To Do list, and apply for state scholarships. Financial aid officers can also view student state aid awards, view students' missing documents, and certify and process award payments.








Click [here](#) to login

- All students must go to “NJGRANTS.org”
- Establish an NJFAMS Account by creating a User ID and Password

# NJFAMS

Welcome to NJFAMS!

**Check your To Do List for additional information we need to process your grant or scholarship.**

-  To Do List
-  View and Update Your School
-  Apply Online for Scholarships
-  Award and Eligibility Information
-  Notifications
-  View And Update Your Contact Information
-  Edit Your Profile

Your FAFSA for academic year 2022-2023 has been received  
Your FAFSA for academic year 2021-2022 has not been received

# Application: CSS Profile

- Nearly 400 Colleges and Organizations use the CSS profile to determine how they will award institutional funds
- Available 10/1 each year and collects more comprehensive income, asset and household information than the FAFSA (i.e. assets for business owners regardless of number of employees)
- Aligns with the FAFSA's use of prior - prior year income (2020 for 2022-2023)

Register - Complete Application – Make payment - Submit

# CSS Profile

Website to submit Profile:

<https://cssprofile.collegeboard.org/>

Information on Noncustodial Parent Requirements:

<https://cssprofile.collegeboard.org/info-divorced-separated-parents>

Customer Support

844-202-0524

Live Chat Available



# The Cycle of Financial Aid

Oct - March	Complete FAFSA application, college search, college application process, and CSS Profile
February - May	Schools send award letters
June - July	School sends Fall Semester bill

# Where Do I Go From Here?

- Obtain and review admission, financial aid materials and deadlines from each school to which you are applying
- Meet all application deadlines
  - CSS Profile if applicable
  - Complete the FAFSA and any other application materials required by the school or your state agency - NJ State deadlines are:
    - TAG Renewal Students – April 15, 2022 preceding the academic year for which aid is requested
    - All Other Applicants – September 15, 2022 for Fall and Spring term awards; February 15, 2023 for Spring awards only

# NJBEST College Savings Plan

- NJBEST is the only 529 Savings Plan to award a scholarship ranging from \$500-\$3,000
- Must attend a New Jersey Institution
- Funds can be applied for any undergraduate year
- A qualified withdrawal must be taken
- Funding for NJBEST scholarships comes from HESAA
- Earnings on the NJBEST Plan are tax free when used to pay for the qualified higher education expenses of an NJBEST beneficiary
- Limit how much can be contributed annually

# HESAA Services

- Web Sites  
**[www.hesaa.org](http://www.hesaa.org)**  
**[www.njgrants.org](http://www.njgrants.org)**  
**[www.njclass.org](http://www.njclass.org)**  
**<https://njfams.hesaa.org>**
- Customer Care Line  
**609-584-4480**
- NJBEST
- [MappingYourFuture.org](http://MappingYourFuture.org)

# Follow-Up Questions

Jim Anderson

Director of Financial Aid

Montclair State University

[andersonja@mail.montclair.edu](mailto:andersonja@mail.montclair.edu)



# Thank you