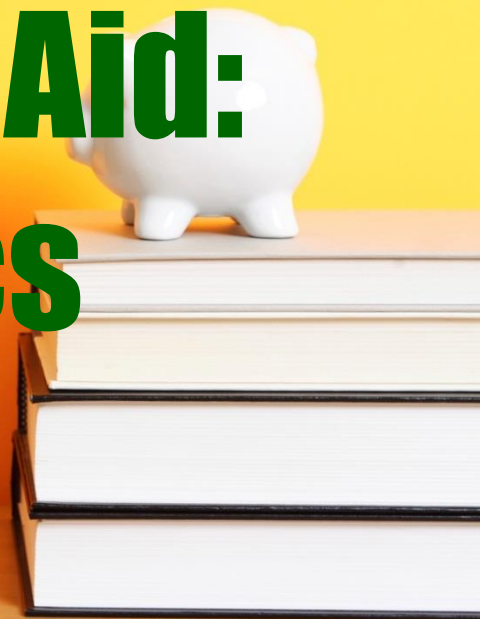




# Financial Aid: The Basics



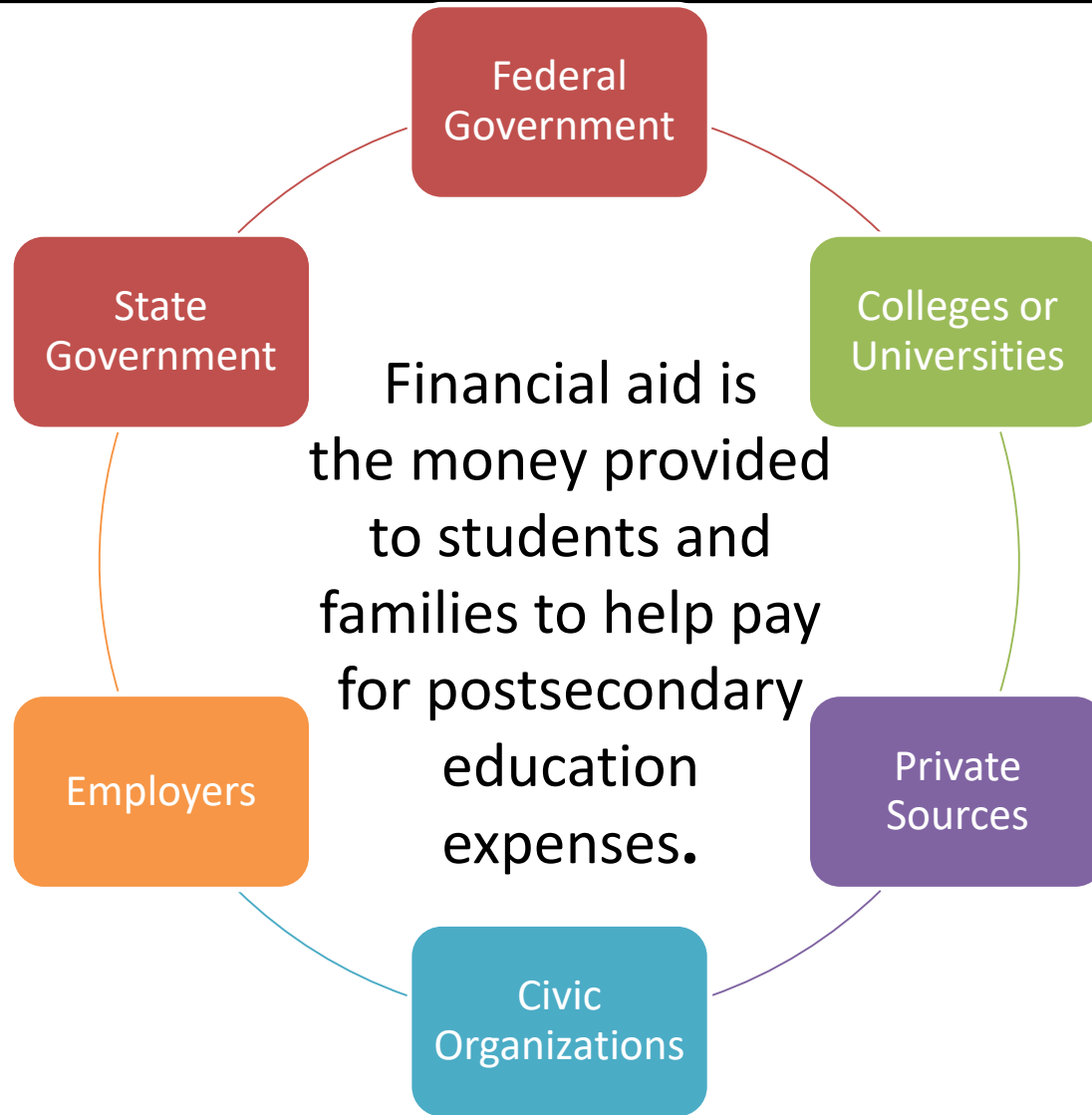
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## Goals for tonight's presentation

1. What is financial aid?
2. Categories, types & sources of aid
3. The Free Application for Federal Student Aid (FAFSA)
4. What is financial need?
5. Timeline of financial aid
6. What if you have special circumstances?
7. Resources available



## What is Financial Aid?



## The Basics

**Nearly all financial aid can be divided into two basic types:**

### **Need Based**

**Awarded to students based on their family's financial and economic status.**



### **Merit Based**

**Awarded to students based on academic achievement and other accomplishments or activities.**

## Financial Aid Categories:



**Scholarships**



**Loans**



**Grants**



**Work  
Study**



## Scholarships

### What is a scholarship?

A financial award given to a student based on merit. Some scholarships may have a need-based component to qualify. Each scholarship has its own unique criteria and requirements, but many are based on a student's talents and abilities.







## Scholarships

- Grade Point Average (GPA)
- ACT or SAT Score
- Community Service
- Extra-Curricular Involvement
- Athletic Ability
- Special & Unique Talent
- Music Talent
- Financial Need
- Ethnicity & Family Heritage
- Work History
- Military Service
- Program of Study

**Why might I  
receive a  
scholarship?**





## Scholarships

**1**

Utilize your high school guidance counselor for local scholarship searches.

**2**

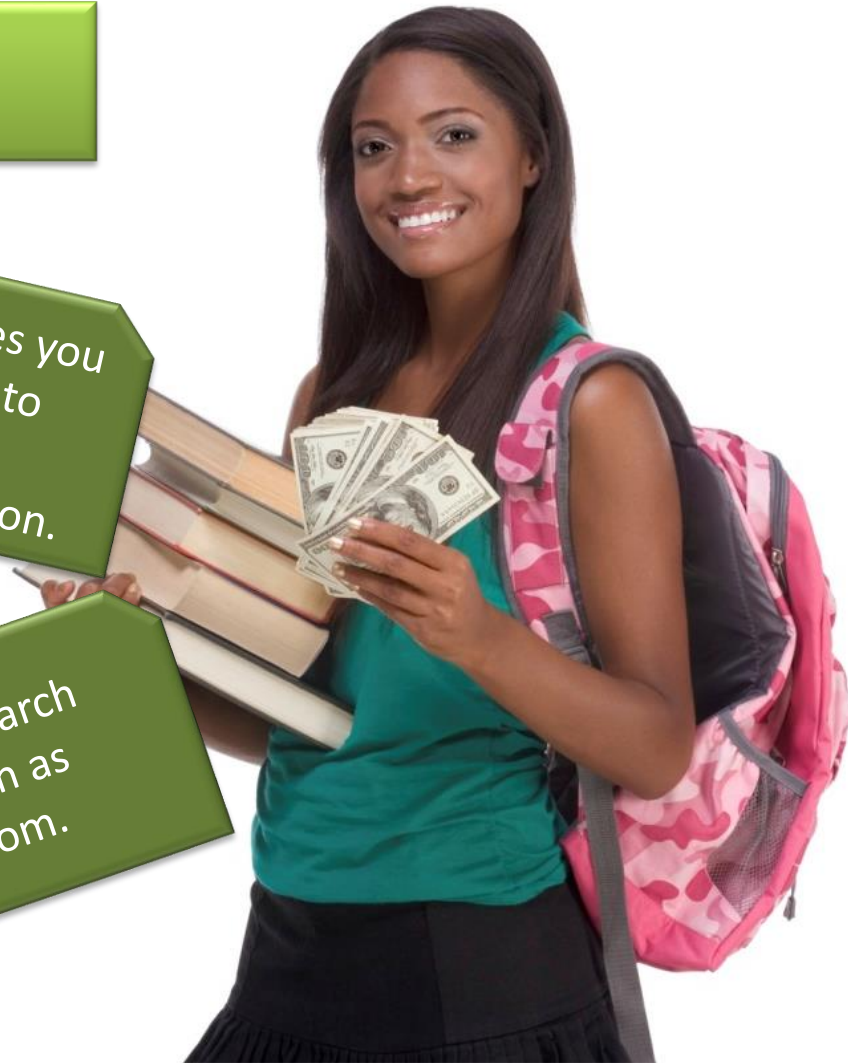
Contact the colleges you are interested in to check on their scholarship application.

**3**

Check with local civic organizations & your employer.

**4**

Use on-line search engines such as [fastweb.com](http://fastweb.com).







## Grants

### What is a grant?

A financial award based on need that does not require repayment.

### How do I qualify?

Fill out the FAFSA (Free Application for Federal Student Aid) as early as possible.





## Grants



### Federal Pell Grant

- Maximum of \$6,095/year for 2018-2019
- Students must have high need to qualify



### Federal Supplemental Education Opportunity Grant (SEOG)

- Amount varies per school
- Students must have high need & be Pell eligible to qualify



## Grants



### Ohio College Opportunity Grant (OCOG)

- Students must be Ohio residents & have high need
- Amount varies based on type of school
- Typically only main campus students qualify for this



### Federal TEACH Grant

- Students must serve as a full-time teacher for at least 4 years in a high-need field in a public or private elementary or secondary school that serves low-income students within 8 years of completing their degree.
- Turns into a loan if obligations are not met!



## Work Study

Money earned by a student who works a job on campus.

**Examples:**

Front desk at  
an office on  
campus

Lab assistant

Library  
assistant

Recreation  
Center

Scorekeeper  
for Athletic  
Department

Campus  
Ambassadors





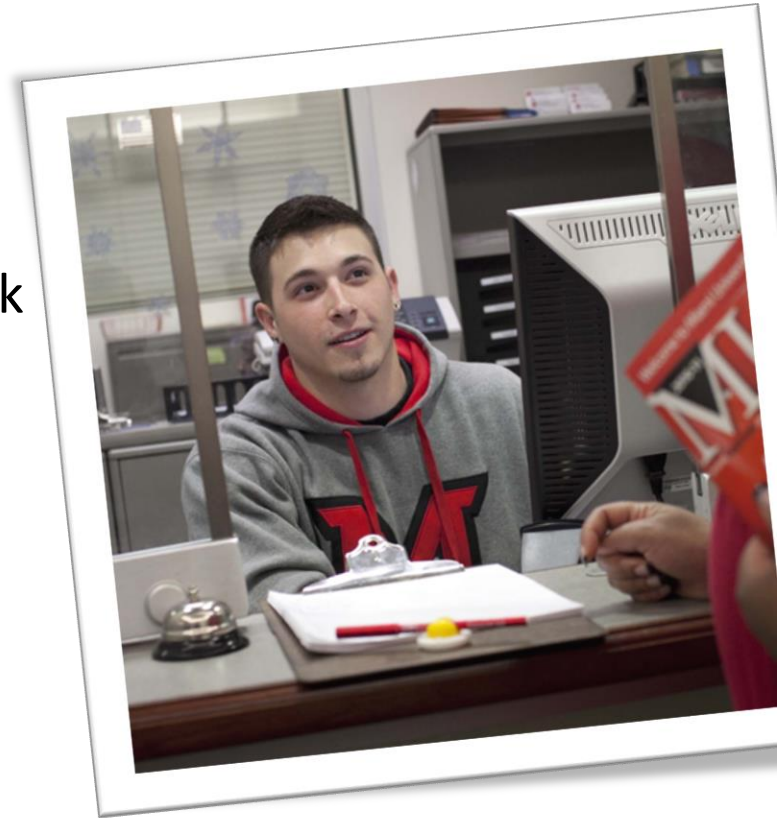
## Work Study

### How do I get a work study job?

- When filing the FAFSA, make sure you check the box that indicates you are interested in federal work study.
- Awarded based on financial need

### What are the benefits?

- Increases employment opportunities
- These wages are excluded from consideration on your financial aid application.







## Loans

### What is a loan?

Financial aid available to all students that requires repayment.

Federal loans are obtained through the FAFSA, but private lenders offer loans as well.

Everyone is entitled to some loan money.







## Loans

What are the different types of federal loans available?

**5.05%**  
For 2018-2019

### **SUBSIDIZED**

U.S. Department of Education pays interest while borrower is in school.

### **Federal Direct Stafford Loan**

### **UNSUBSIDIZED**

Borrower is responsible for all interest accrued.

First year:

**\$5,500**

(Up to \$3,500 subsidized)

Second year:

**\$6,500**

(Up to \$4,500 subsidized)

Third year & on:

**\$7,500**

(Up to \$5,500 subsidized)

*\*Repayment must begin six months after last date of attendance.*



## Loans

What are the different types of federal loans available?

**Federal loans  
taken out by the  
parent of a  
dependent  
student**

**7.06%**  
**For 2017-2018**

**Amount  
borrowed cannot  
exceed total  
costs minus  
other aid.**



**Federal PLUS  
Loan**

*\*Repayment begins 60 days after full disbursement (typically Spring) OR  
you can choose to defer repayment while the student is in school.*



## Loans

**Loan in student's  
name with  
credit-worthy  
co-signer**

**Interest rate:  
Fixed or variable**

**Amount  
borrowed cannot  
exceed total  
costs minus  
other aid.**



**Private  
Education  
Loans**

*\*Repayment usually deferred until after graduation. Sometimes interest only payments are required while in-school.*

# Where do we start?



File the

# FAFSA

Free Application for Federal Student Aid

An application completed and filed by a student (along with parents if necessary) every academic year in order to receive financial aid.

## Where do we start?



File the

# FAFSA

Free Application for Federal Student Aid

The FAFSA collects household and financial information, and calculates your **EFC**, or **E**xpected **F**amily **C**ontribution.

**EFC =**  
**Expected**  
**Family**  
**Contribution**

**When your family completes the FAFSA, it will calculate your EFC.**

Amount a family can reasonably be expected to contribute, but **not** what the family will necessarily pay to the college.

EFC is the same regardless of what college or university the student attends.



## How do I fill out a FAFSA?

### Materials Needed:

- ✓ You
- ✓ Your Parents
- ✓ [Student and Parent FSA-ID's](#)
- ✓ Prior year tax returns
- ✓ Prior year W-2s
- ✓ Social Security Numbers
- ✓ Records of untaxed income
- ✓ Asset information
- ✓ A computer
- ✓ Patience



# How do I fill out a FAFSA?

### When:

The FAFSA is available after October 1, and many schools have a priority deadline.

A collage of various calendar pages, including dates like 28, 4, 3, 25, and 10, along with days of the week in German (Montag, Dienstag, Sonntag, Samstag, Freitag, Donnerstag, Sonntag) and months (April, März). A green banner with white text is overlaid diagonally across the center.

October 1, 2018

# How do I fill out a FAFSA?

Click on the  
“START HERE” option.

You can select up to  
10 schools to send  
your FAFSA.

**FAFSA.gov**



## Need money for college?

Complete the FAFSA® (*Free Application for Federal Student Aid*) form to apply for financial aid for college, career school, or graduate school.

### NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

START HERE >

### RETURNING USER?

- Make a correction
- Add a school
- View your *Student Aid Report* (SAR)

LOG IN >

# Financial Aid Information Session

## FSA-ID: Federal Student Aid ID

Create your FSA-ID by  
going to  
[www.fsaaid.ed.gov](http://www.fsaaid.ed.gov)

Create your username  
and password.

Both **STUDENT** and  
**PARENT(S)** will need an  
FSA-ID.

Create an FSA ID

Manage My FSA ID

Please enter your:

E-mail



Confirm E-mail



Username



Password



☒ Numbers ☒ Uppercase Letters ☒ Lowercase Letters ☒ Special Characters ☒ 8-30 Characters ☐ Show Text

Confirm Password



CONTINUE >


- ✓ Social Security Number
- ✓ Date of birth
- ✓ VERIFY phone number
- ✓ VERIFY email address
- ✓ DO NOT USE HIGH SCHOOL EMAIL ADDRESS

## IRS Data Retrieval Tool: DRT

- The IRS DRT automatically transfers tax information into the FAFSA application.
- This tool navigates the user to the IRS site where you'll need to provide your name and other information exactly as you provided it on your tax return for that year.
- Cannot use the DRT if filing status was "Married Filing Separate"



# **FAFSA Frequently Asked Questions**



**What if my  
parents are  
divorced?**



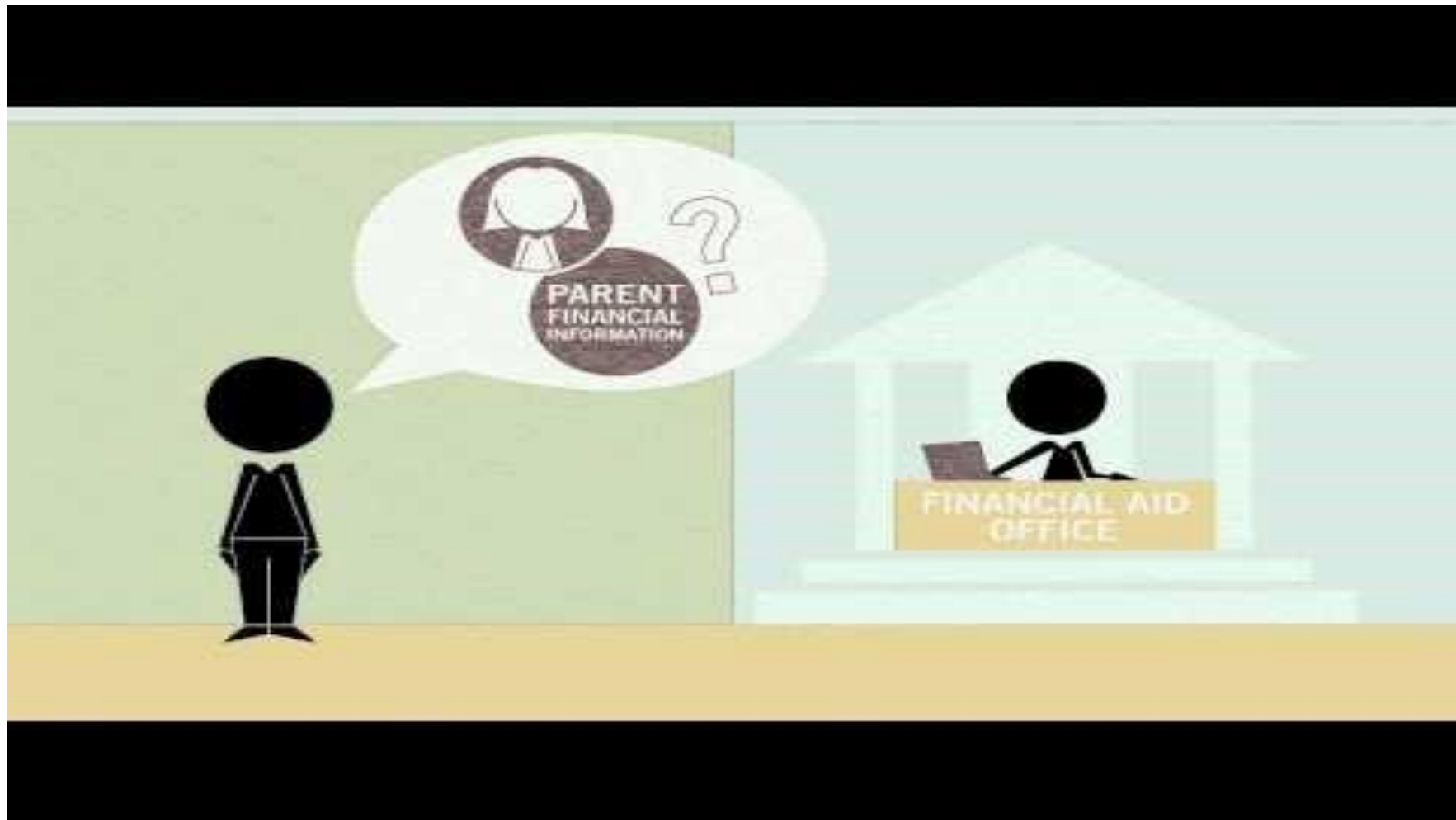
**If I provide my  
own support,  
do I have to  
list parents?**



**Do I include  
the income  
of my  
stepparent?**



**What if my  
family owns a  
business?**



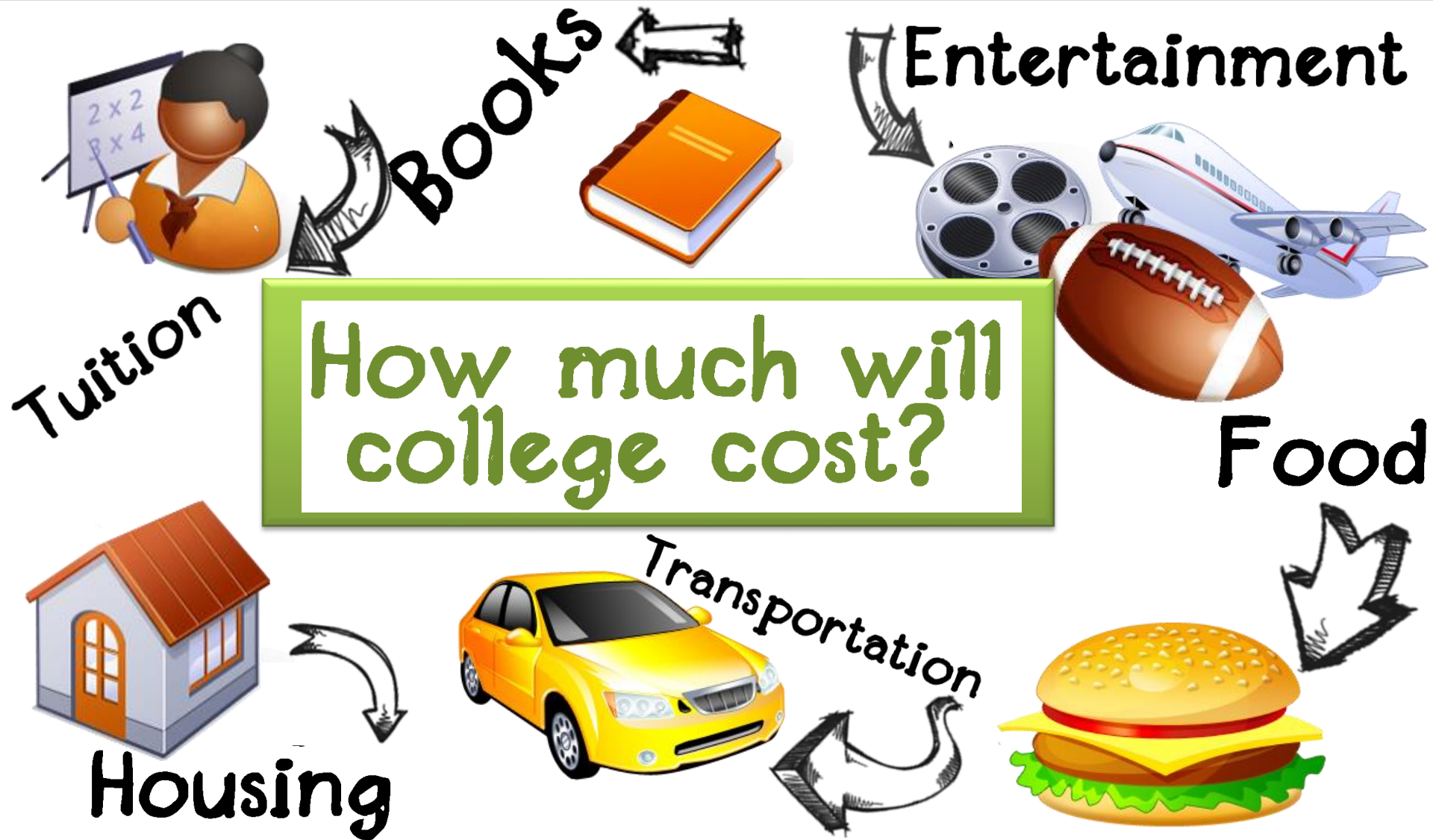
# FAFSA Frequently Asked Questions

- Real estate (but not the home you live in)
- Trust funds
- Money market funds
- Certificates of deposit
- Mutual funds
- Stocks
- Stock options
- Bonds
- UGMA & UTMA accounts
- Other securities held
- Education savings accounts (i.e. Coverdell & 529 savings)

**What is  
included  
as an  
asset?**

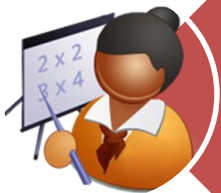
**What is NOT  
included as  
an asset?**

- Not the home you live in
- Value of life insurance
- Retirement plans (401k plans, pension funds, annuities, non-education IRAs, Keogh plans, etc.)



# \$ COLLEGE C O S T S

## Direct Costs



Tuition & Fees



Housing



Meals



# \$ COLLEGE C O S T S

## Indirect Costs



Transportation



Books & Supplies

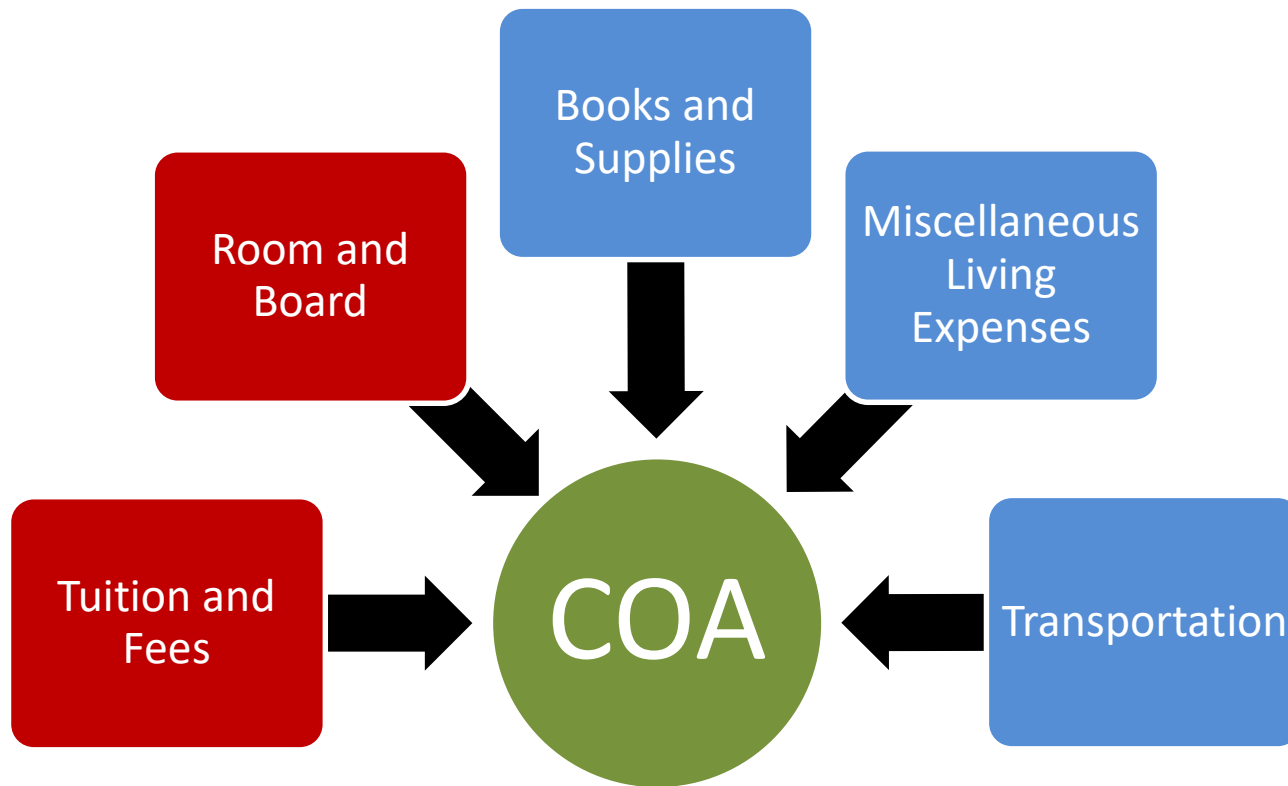


Miscellaneous Living Expenses





# COST OF ATTENDANCE



# What is financial need?

- The difference between the cost of attendance and the expected family contribution



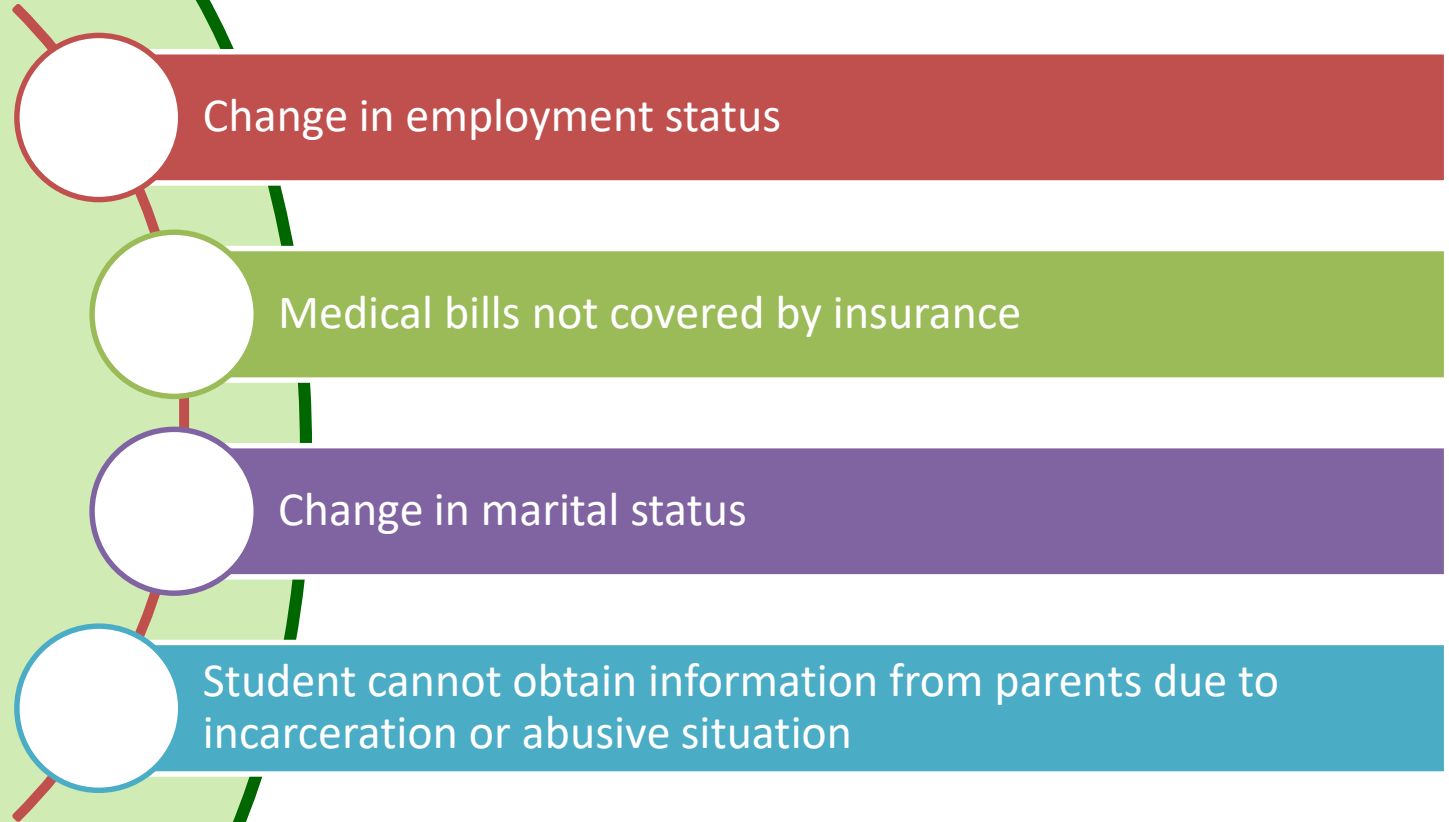
- Your financial need is used to determine how much aid you may receive
- A college may not be able to offer enough aid to meet your demonstrated financial need, however it is our **GOAL!**

# Financial Need Comparison

	Private 4 Year College or University	Public 4 Year College or University	Public 2 Year College or University
Cost of Attendance (COA)	\$45,080	\$29,770	\$10,818
- Expected Family Contribution (EFC)	\$12,000	\$12,000	\$12,000
Financial Need	\$33,080	\$17,770	\$0

The COA differs depending on the school, whereas the EFC is the same at every institution.

# What if I have Special Circumstances?



# Financial Aid Information Session

## Financial Aid Timeline



# **Deadlines are important!**

October 1<sup>st</sup> is the first day you can complete a FAFSA.

Check with each college to see what their priority deadline is.

Missing deadlines will prohibit you from maximizing your aid!



## Additional Resources



### General Financial Aid

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

### FAFSA on the Web

- [www.FAFSA.gov](http://www.FAFSA.gov)

### Federal Student Aid

- [www.studentloans.gov](http://www.studentloans.gov)
- 1-800-4-FED-AID

### Scholarships

- [www.fastweb.com](http://www.fastweb.com)

# Questions?



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