2024 - 2025 Financial Aid High School Presentation

New Jersey Higher Education Student Assistance Authority
Catherine M. Boscher-Murphy

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

The Mission

The 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.

Goals of Financial Aid Office

- Primary goal is to assist students in paying for college and is achieved by:
  - Evaluating family's ability to pay for educational costs
  - Distributing limited resources in an equitable manner
  - Providing a balance of gift aid and self-help aid
  - Implementing federal and state regulations for their college/university

What is Financial Aid

- Includes all funds made available to students not paid directly by the family

Financial Aid

Types of Financial Aid	Sources of Aid
• Grants • Scholarships • Loans • Employment Opportunities	Federal State of New Jersey The College/University Outside Organizations Civic organizations (ex.-local Rotary Club), parent's employer, high school awards

Grants

- Gift Aid
- Does not have to be repaid
- Typically based on need

Scholarship

- Gift Aid
- Does not have to be repaid
- Typically based on merit or a skill
  - Academic achievement
  - Athletic ability

Student Employment

- Offered by college
- Part-time job
- Paid for hours worked
- Not applied to college bill

Loans

- Borrowed funds must be repaid
  - Student loans
  - Parent loans
  - Private loans
- Interest and repayment plans differ by program
- Borrow wisely

Types of Aid - Federal

- Pell $7,395 (max award)
- SEOG $4,000 (max award)
- TEACH $3,772 (max award)
- Stafford Direct Student Loans
- Parent PLUS Loans

2023-2024 Award amounts

Types of Aid – State of NJ

- NJ Tuition Aid Grant (TAG)
- Educational Opportunity Fund (EOF)
- Comm. College Opportunity Grant (CCOG)
- Garden State Guarantee (GSG)
- NJ Stars and Stars II
- Governor's Urban Scholarship (GUS)
- Governor’s Industry Vocation (NJ – GIVS)
- NJ CLASS

Types of Aid – State (cont.)

Community College Opportunity Grant (CCOG)

Garden State Guarantee (GSG)

Covers tuition and fees minus all other grants and scholarships

- Tier I - AGI between $0 - $65,000 for maximum award
- Tier 2 - AGI between $65,001 - $80,000 (student liable for $7500 T&F)
- Tier 3 - AGI between $80,001 - $100,000 (student liable for $10,000 T&F)

CCOG/GSG Calculation

- Full-time tuition and mandatory fees minus other grants, scholarships, etc. (not loans or aid designated specifically for housing, books)

	Tier 1:	Tier 2:	Tier 3:
T & F:	14764	14764	14674
Grants:	-12000	-7500 pd by student	-10000 pd by student
GSG:	2764	7264	4674

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

Types of Aid –
Institutional Programs & Private Scholarships

- Factors that may influence eligibility:

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

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

Am I Eligible?

- US Citizen or legal resident
- HS Diploma or GED
- Valid Social Security number (student)
- Enrolled in eligible program
  - Degree/certificate program
  - Eligible institution
- For NJ programs – must be resident of NJ 12 months prior to beginning college

How do I Apply?

- FAFSA
  - Free Application for Federal Student Aid
    - 6000+ colleges/schools require
- College Board CSS Profile
    - About 400 schools require this supplemental form
- Institutional forms

When do I Apply?

- FAFSA –
  - https://studentaid.gov
    - Normally available 10/1 in fall of high school senior year
    - Priority deadlines vary for each college
      - Meet the earliest deadline
- NJ Alternative Application -
  - www.hesaa.org
    - Normally available 10/1 of high school senior year
- CSS Profile -
  - www.student.collegeboard.org/profile
    - Varies by school

Applications to Access Aid

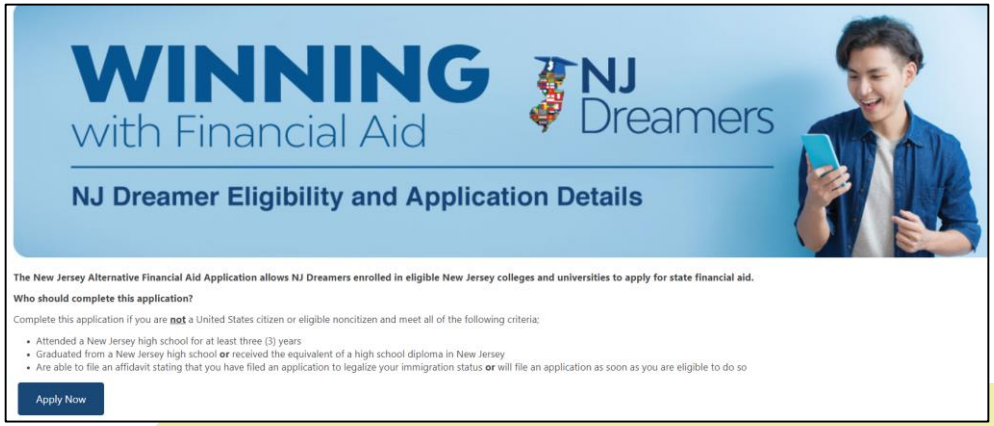
studentaid.gov



student.collegeboard.org/profile



HESAA.org



New Jersey Dreamers



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

NJ Alternative Application

The NJ Alternative Financial Aid Application allows undocumented students enrolled in eligible NJ colleges to apply for state grants (TAG, EOF, Stars, etc.)

If you are **NOT** a US citizen or eligible noncitizen and meet the following criteria:

- Attended a NJ high school for at least three years
- Graduated from a NJ high school or received the equivalent of a high school diploma
- Able to file an affidavit at the college stating you will file an application to legalize your immigration status as soon as you are eligible to do so

Federal Student Aid ID
Get a Log-In

- All contributors must create a Federal Student Aid ID (FSA ID) at www.studentaid.gov - create account
- Contributors include student, parent(s), stepparent, or spouse if student is married
  - Each person must be verified by a mobile phone number or email when creating the FSA ID
  - Use every year
  - Use to apply for the FAFSA or federal loans

2024-2025 FSA ID

- Student Identifies who the information contributor(s) are and invites them to contribute to the FAFSA. Each contributor must have an FSA ID and password.

- Parental Contributors include: Biological Parent, Stepparent, and Adoptive Parent
    - One parent if parents filed jointly
    - Parent who provided more financial support in the last 12 months
  - If married or unmarried/living together but did not file taxes jointly, then both contributors will need an FSA ID

- **All contributors must be verified by individual email when creating the FSA ID**

2024-2025 FSA ID for Undocumented Contributors

- Information Contributors with an ITIN number must use the ITIN number to create their FSA ID and will have to verify identity.
- Information Contributors who do not have a SSN will register with all zeros and will have to verify identity through a knowledge based verification process.
- All contributors must be verified by individual email when creating the FSA ID
- Information Contributors who cannot verify identity must contact FSA to submit documentation and if still cannot verify identify must complete a paper FAFSA

Free Application for Federal Student Aid (FAFSA)

- 2024-2025 “A Better” FAFSA is available
  December 2023
- Collects family’s personal and financial information used to calculate the student’s Student Aid Index (SAI)
- File the FAFSA electronically via FAFSA on the Web at www.studentaid.gov
- FAFSA Uses prior-prior year income information (2022)

On the FAFSA

- Each contributor must provide consent to IRS to obtain Federal Tax Information
  - Data from IRS will populate into the FAFSA
  - Will not see the data (cloaked for security)

Federal Tax Information Consent

Provide Consent or the Student Will Be Ineligible for Federal Student Aid

Summary

Your consent is needed to retrieve and disclose federal tax information (FTI). With your consent, we can obtain tax return information automatically from the IRS to help you complete your section of the student's FAFSA® form. If you don't provide consent, the student will not be eligible for federal student aid, including grants and loans. You must provide consent even if you didn't file a U.S. federal tax return or any tax return at all.

- → Get your 2022 tax return information for the 2024–25 FAFSA form.
- → Tax return information is required to complete the FAFSA form.
- → FTI is used to determine the student's eligibility for federal student aid.

Federal Tax Information (FTI)

- The IRS will request consent to retrieve your Federal Tax Information (FTI) into the FAFSA
- The FTI will be available beginning December 2023 to support the Better FAFSA
- If married or unmarried/living together but did not file taxes jointly, then both will need to log in to provide consent to retrieve federal tax information

Who is the Parent(s)

- Single
- Unmarried, living together – biological parents
- Married or remarried – as of date of FAFSA
  - This means stepparent
- Separated or Divorced –
  - Parent Wizard on FAFSA will determine which parent the student must put on the FAFSA (parent that provides more support)
- Widowed

Key Components of the FAFSA

- Student Contributor Section
  - Full Name, address
  - Social Security Number
  - Date of Birth
  - Email address
  - College plans
- Student Income and Assets
  - IRS Consent
  - Income earned from work
- Student Status: Dependent/Independent

Key Components of the FAFSA (cont.)

- Parent Contributor(s) - Who is a Parent?
  - Social Security Number
  - Last Name, First initial
  - Date of Birth
  - Email address
- Federal Means Tested Benefits
  - Medicaid, SSI, SNAP, Free or Reduced Price School Lunch, TANF, WIC, EITC, QHP (qualified Health Plan)
- Family Size – from IRS return (exemptions)

Key Components of the FAFSA (cont.)

- Parent(s) Income
  - IRS FTI
  - Income earned from work
  - Dislocated Worker
- Assets
  - Cash, savings, checking accounts
  - Investments = money markets, CD's, stocks, bonds, property, second home
  - Business or farm

Other Assets

529 Accounts

If parent or student owns the 529 account, include the value of account designated for the student (exclude other 529 accounts for other kids)

Child Support

Do Not Include

- Retirement accounts
  - The total value of a 401K, 403B, IRA, etc. is not listed anywhere on the FAFSA

However – any pension distributions are considered income as reflected on the tax return

- Primary Home
  - If you live in a single family home, the value of that home is not listed anywhere on the FAFSA

However – if you own a multi-family home, the portion you do not live in is considered an asset

Don’t Get Confused

For the 2024-25 year:

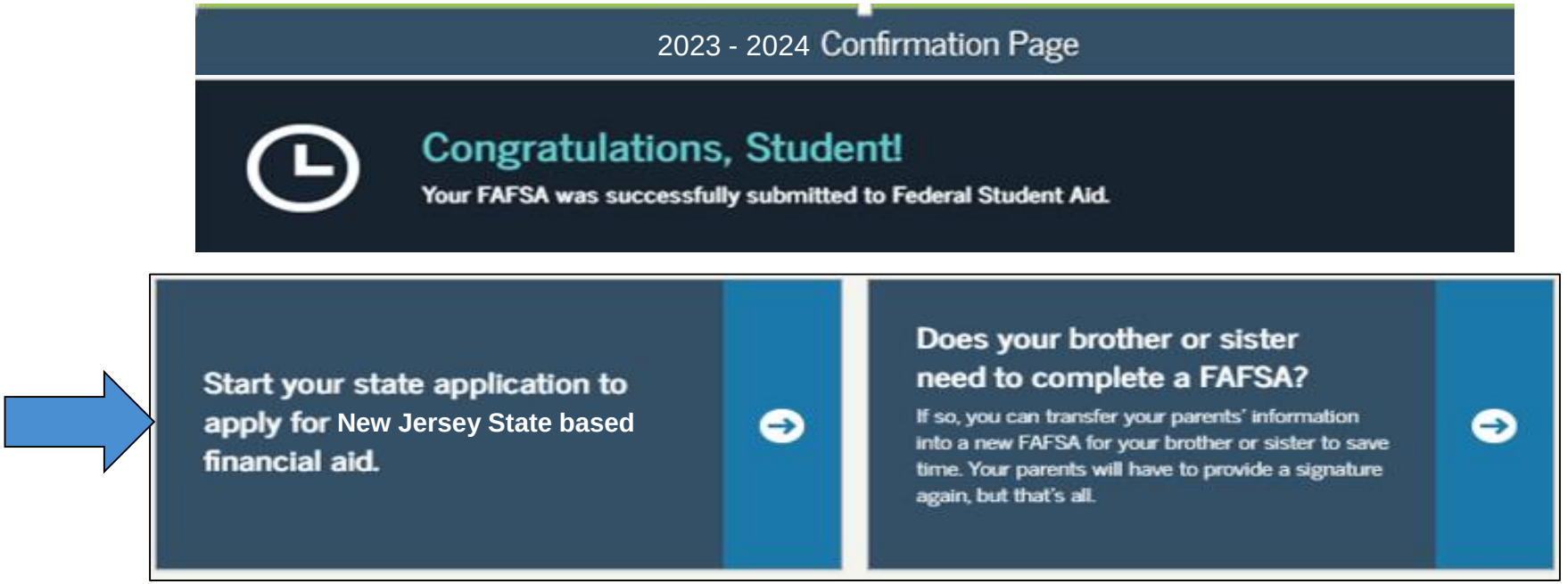
Income information = 2022 tax data

Savings/investments = current
(as of date of FAFSA filing)

Family Size = pulled from tax return

if different for coming year, can manually change

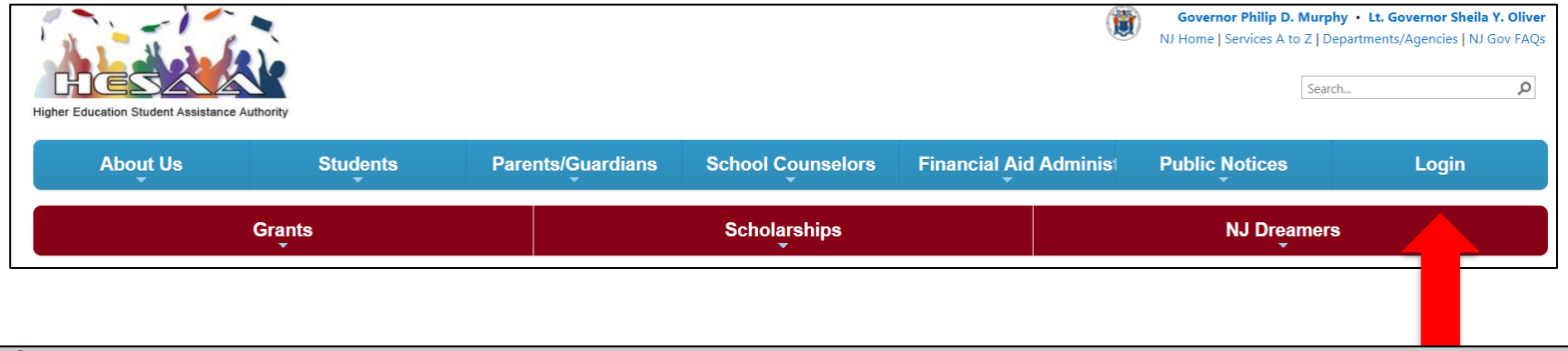
Click to Apply for State Aid

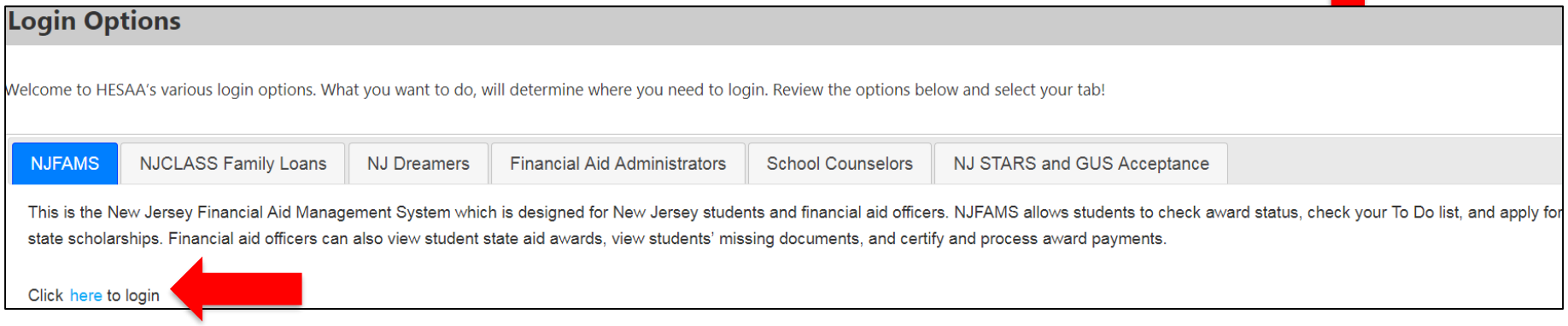


This link redirects filers to view instructions regarding the NJFAMS Student Portal. Applicants are instructed to log into "**NJFAMS.HESAA.org**" to create a user ID and password. In 3-5 business days, students can their check awards and eligibility status and complete any outstanding items on their "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.

NJFAMS





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

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
- Schools 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

Common Mistakes

- Student's name as it appears on the social security card, social security number, and date of birth
- Number of people in the family
- Divorced/remarried households
- Taxes paid vs. taxes withheld
- Including untaxable social security benefits
- Parental and student assets
  - "Zero" is an answer
- College grade level – NOT a graduate student
- Filing an application for the incorrect academic year
- Filing the wrong application based on student immigration status

Three Key Terms

- SAI
  - Student Aid Index
- COA
  - Cost of Attendance
- Need

What Is The Student Aid Index (SAI)?

- SAI is determined by a federal formula that calculates need using the information you supplied on the FAFSA
- SAI is used to create your financial aid package
- SAI & Financial Need are guidelines used by schools to determine an aid package
- SAI measures your family's financial strength

Cost of Attendance

- Tuition and fees - direct
- Room and food – direct or indirect
- Books, supplies, equipment – direct but not billed
- Federal loan fees - direct
- Transportation – indirect
- Miscellaneous – indirect

Unexpected Costs

- Remediation Classes: extra 1 – 2 semesters
- Change in major: 1 – 2 years in addition
- Transferring: possible extra semester
- Unpaid internships: loss of Summer wages
- Study Abroad, Spring break, trips home and pledging costs
- Moving expenses and Summer storage

Determining Aid Eligibility

COA

-SAI

NEED

Financial Aid Packaging

There is a standard order of who aid is packaged:

- Entitlement/formula driven awards
  - Pell Grants
  - NJ TAG Grants
  - Other federal aid (SEOG, FWS)
- Federal Stafford Direct Student Loans
- Institutional aid

Sample SAI for Smith Family

Family lives in New Jersey
Married parents filing jointly
Family size of 4
2022 adjusted gross income = $94,002
Assets = $0
Student income / assets = $50 / $213

SAI = 8,667

$0 federal Pell grant

Family lives in New Jersey
Married parents filing jointly
Family size of 6
2022 adjusted gross income = $94,002
Assets = $0
Student income / assets = $50 / $213

SAI = 3,764

$3,635 federal Pell grant

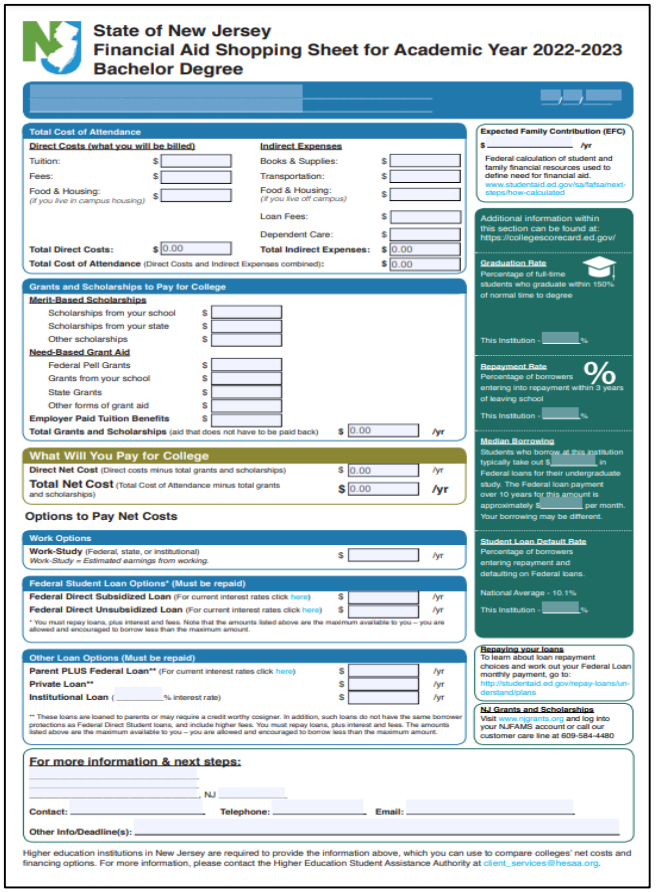
Federal Student Aid Estimator: https://studentaid.gov/aid-estimator

Financial Need for Smith Family

College	Community College	State College or University	Private College or University
COA	$8,000	$30,000	$60,000
SAI and other aid	$1,500	$1,500	$1,500
Financial Need	$6,500	$28,500	$58,000

NJ Shopping Sheet or Federal College Financing Plan

- Help families with transparency
- Separates the Cost of Attendance listing the direct and indirect costs
- Awards – Grants & Scholarships (free no repayment required)
- Student Final Costs box
- College coordinated work study
- Federal Student Loans
- If necessary alternate loans



State of New Jersey
Financial Aid Shopping Sheet for Academic Year 2022-2023
Bachelor Degree

Total Cost of Attendance
Direct Costs (what you will be billed)
Tuition:
Fees:
Food & Housing: (if you live in campus housing)
Indirect Expenses
Books & Supplies:
Transportation: (if you live off campus)
Food & Housing:
Loan Fees:
Dependent Care:
Total Direct Costs: $0.00
Total Indirect Expenses: $0.00
Total Cost of Attendance (Direct Costs and Indirect Expenses combined): $0.00

Grants and Scholarships to Pay for College
Merit-Based Scholarships
Scholarships from your school
Scholarships from your state
Other scholarships
Need-Based Grant Aid
Federal Pell Grants
Grants from your school
State Grants
Other forms of grant aid
Employer Paid Tuition Benefits
Total Grants and Scholarships (aid that does not have to be paid back) $0.00 /yr

What Will You Pay for College
Direct Net Cost (Direct costs minus total grants and scholarships) $0.00 /yr
Total Net Cost (Total Cost of Attendance minus total grants and scholarships) $0.00 /yr

Options to Pay Net Costs
Work Options
Work-Study (Federal, state, or institutional) /yr
Work-Study = Estimated earnings from working.
Federal Student Loan Options* (Must be repaid)
Federal Direct Subsidized Loan (For current interest rates click here) /yr
Federal Direct Unsubsidized Loan (For current interest rates click here) /yr
* You must repay loans, plus interest and fees. Note that the amounts listed above are the maximum available to you – you are allowed and encouraged to borrow less than the maximum amount.
Other Loan Options (Must be repaid)
Parent PLUS Federal Loan** (For current interest rates click here) /yr
Private Loan** /yr
Institutional Loan (____% interest rate) /yr
** These loans are loaned to parents or may require a credit worthy cosigner. In addition, such loans do not have the same borrower protections as Federal Direct Student loans, and include higher fees. You must repay loans, plus interest and fees. The amounts listed above are the maximum available to you – you are allowed and encouraged to borrow less than the maximum amount.

Expected Family Contribution (EFC)
$ ____ /yr
Federal calculation of student and family financial resources used to define need for financial aid.
www.studentaid.ed.gov/sa/fafsa/next-steps/how-calculated
Additional information within this section can be found at: https://collegescorecard.ed.gov/
Graduation Rate
Percentage of full-time students who graduate within 150% of normal time to degree
This Institution - ____%
Repayment Rate
Percentage of borrowers entering into repayment within 3 years of leaving school
This Institution - ____%
Median Borrowing
Students who borrow at this institution typically take out $____ in Federal loans for their undergraduate study. The Federal loan payment over 10 years for this amount is approximately $____ per month. Your borrowing may be different.
Student Loan Default Rate
Percentage of borrowers entering repayment and defaulting on Federal loans.
National Average - 10.1%
This Institution - ____%
Repaying your loans
To learn about loan repayment choices and work out your Federal Loan monthly payment, go to: http://studentaid.ed.gov/repay-loans/understand/plans
NJ Grants and Scholarships
Visit www.njgrants.org and log into your NJFAMS account or call our customer care line at 609-584-4480

For more information & next steps:
NJ
Contact: Telephone: Email:
Other Info/Deadline(s):

Higher education institutions in New Jersey are required to provide the information above, which you can use to compare colleges' net costs and financing options. For more information, please contact the Higher Education Student Assistance Authority at client_services@hesaa.org.

Comparing Offers

- Look at the bottom line
  - Direct expenses minus grant aid
  - Direct expenses minus grant and student loans
- How much can you afford?

➢ A more expensive school can actually cost less

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.

Other Resources

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

Private Scholarship Search

- Institution/college web sites
- Local library resources
- Local businesses, civic organizations and churches
  - ✓ Check with your High School guidance office
- Parent's employer(s)
- www.hesaa.org
- www.fastweb.com
- www.collegeboard.org
- www.mappingyourfuture.org



Consumer Issues

- Renewability of awarded aid
  - Minimum GPA?
- Need-based aid
  - Will changes in need from year to year cause an adjustment?
- Treatment of outside scholarships
  - Reduce loans or institutional aid
- Scholarship scams
- Consultants - good or bad idea?
- Aid Notifications - review them carefully

Special Circumstances

- Significant change to family situation
  - Loss of Income
    - Retirement, unemployment, company closing
    - Separation/divorce of parents
    - Death/disability of parent
- Every school treats these differently
  - Federal regulations allow lots of leeway
- Different rules for NJ Grants too

The Cycle of Financial Aid

Oct - March	Complete FAFSA application, college search, college application process, and CSS Profile ***For 24-25, FAFSA will be available in December 23.***
February - May	Schools send FA notification letters
June - July	School sends Fall Semester bill
August	Bills are due to institution

Apply for State Aid Workshops & Webinars

Please join us for a virtual FAFSA Completion Workshop.
Check back for schedule events starting in September 2023.

Link to monitor: https://www.hesaa.org/Pages/FAFSA.aspx

Pre-recorded Webinars

Steps on how to apply for federal and state aid	View/Download YouTube Video
Steps on how to apply for the New Jersey Alternative Financial Aid Application	YouTube Video (English) YouTube Video (Spanish)

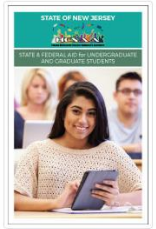
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8 Steps to Apply for Federal and State Aid

Click here for Spanish Version



State & Federal Aid Programs



How to apply for an FSA ID

Click here for Spanish Version



New Jersey Dreame

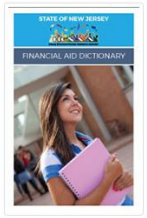
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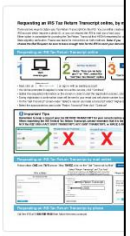
New Jersey Financial Aid Management System



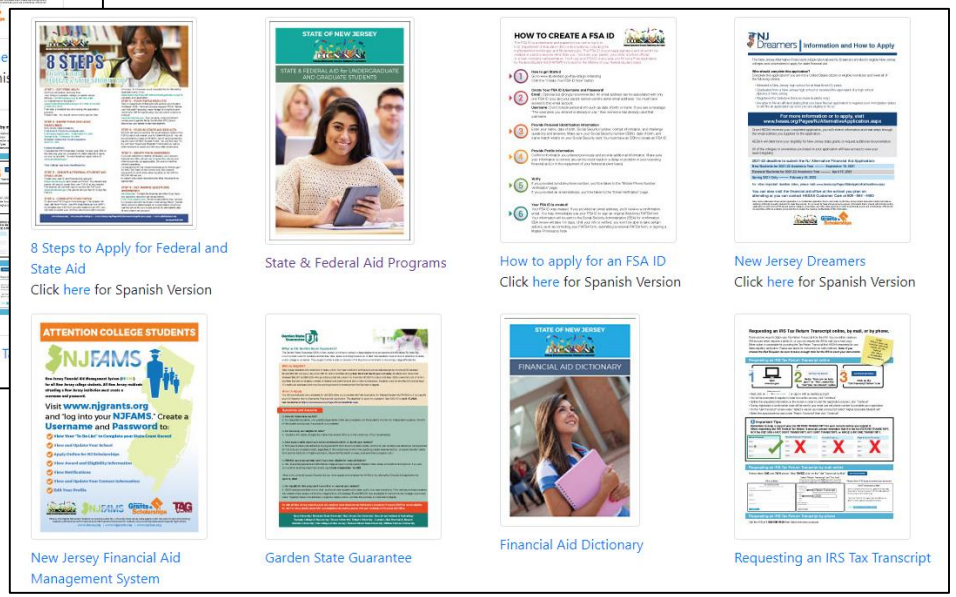
Garden State Guarantee



Financial Aid Dictionary



Requesting an IRS T



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Financial Aid Dictionary

Requesting an IRS Tax Transcript

HESAA Services

- Customer Care Center - CustomerCare@hesaa.org
- Customer Care Line

  609-584-4480

  Monday – Thursday 8:30 – 8 and Friday 8:30 – 5:00

- Web Sites

  www.hesaa.org

  www.njgrants.org

  www.njclass.org

  https://njfams.hesaa.org

- NJBEST.org
- MappingYourFuture.org

QUESTIONS?



Thank you