Financial Aid & the FAFSA

COLLEGE NOW GREATER CLEVELAND

College Now's mission is to increase postsecondary educational attainment through college and career access advising, financial aid counseling, and scholarship and retention services.

What is FINANCIAL AID?

- FINANCIAL AID is money to help students pay for their COLLEGE EDUCATION.

- Some Financial Aid is free

- Some Financial Aid is NOT free

- ALL Financial Aid helps to pay for college (2- or 4-year), trade school, or training programs

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What Costs are Associated with College?

Financial Aid assists students in paying for:

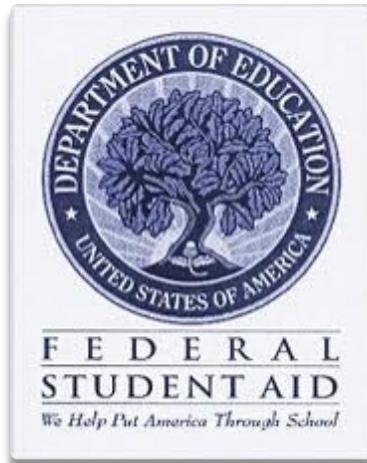- Tuition and Fees (Direct Costs)
- Room and Board (Direct Costs)

- Books and Supplies (Indirect Costs)
- Personal Expenses (Indirect Costs)
- Transportation (Indirect Costs)

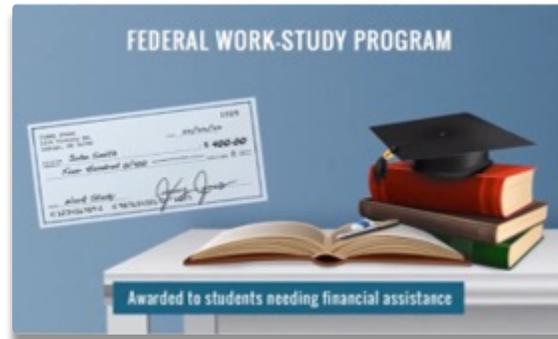All of these factors comprise a school's COST OF ATTENDANCE (COA)

Types of FINANCIAL AID
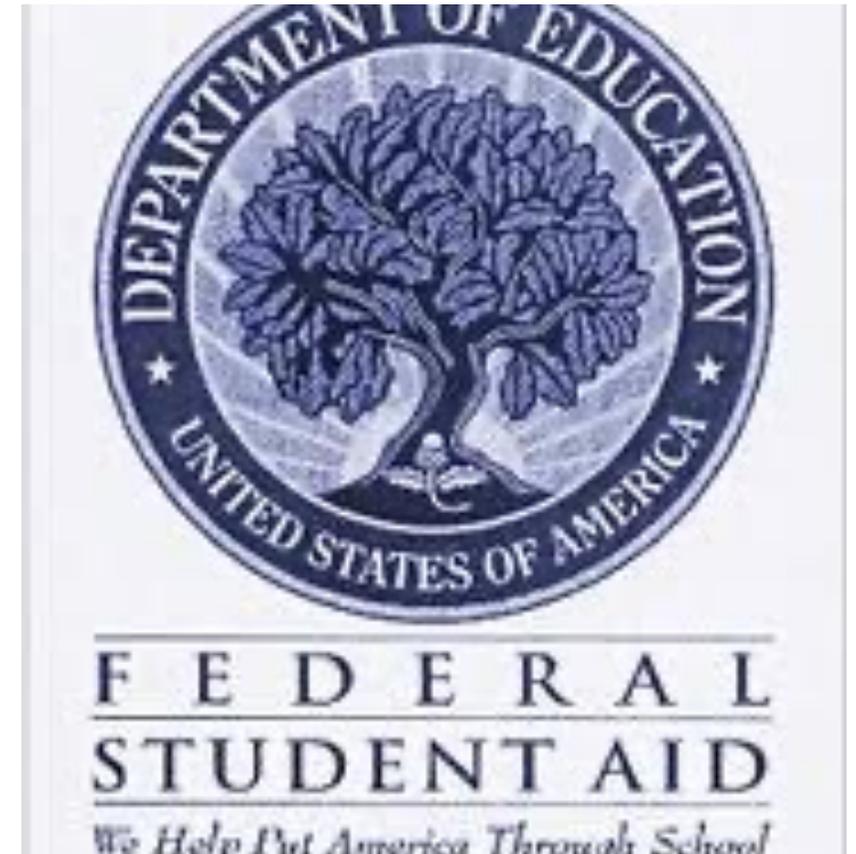

GIFT MONEY

EARNED MONEY

BORROWED MONEY

Gift Money: Grants

▶ Grants are **Need-Based** and are usually run by the GOVERNMENT and the COLLEGES

▶ Eligibility is determined by a student's FAFSA*

  ▶ **Free** Application for Federal Student Aid

▶ Grants DO NOT need to be repaid

▶ Offered by Federal Government & Colleges

Gift Money: Scholarships

▶ Scholarships Are Offered Using Various Criteria:

▶ **MERIT-BASED**

▶ **NEED-BASED**

▶ **CIRCUMSTANCE-BASED**

▶ * SCHOLARSHIPS MAY BE BASED ON A COMBINATION OF THE ABOVE CRITERIA

▶ * Scholarships **DO NOT** need to be repaid!

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Tips for Scholarship Searching

Think SPECIFIC

Scholarships are available for students based on a wide variety of criteria:

- Academic Achievement
- Certain Majors and Cohorts
- Underrepresented Students

Think LOCAL

- civic organizations
- high school
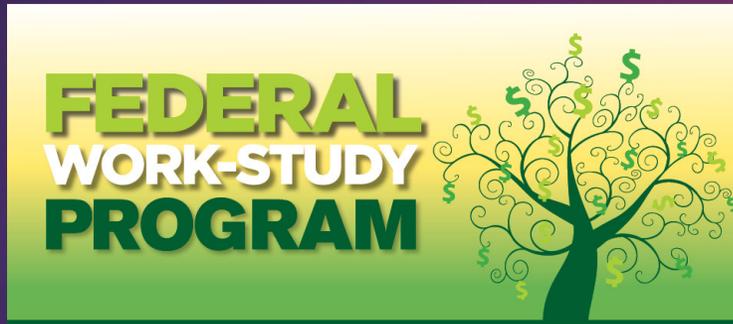- place of employment

Think EASY

Apply to the most obvious scholarships first.

- Some local scholarships offer very competitive odds because the applicant pool is small.
- Check College Now's website for a comprehensive list of scholarships.

Earned Money:
Federal Work Study

FEDERAL WORK-STUDY PROGRAM

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<u>Federal Work Study:</u>

▶ On-campus employment
  - ❖ Campus-specific & limited number of community work opportunities
  - ❖ Students must search for available jobs, apply, and interview

▶ Payment comes to the student in the form of a check
  - ❖ Students generally use funds for personal expenses

▶ Students will **<u>not</u>** be penalized on the FAFSA for funds earned from a work-study position

Borrowed Money: Loans

- **<u>Federal STUDENT Loans</u>** – Awarded upon completion of the FAFSA
  - ❖ Subsidized Loan [6.39 fixed interest*]
  - ❖ Unsubsidized Loan [7.94% fixed interest*]

- **<u>Federal PARENT Plus Loan</u>** – [8.94% fixed interest*]

- *Federal Interest Rates are set every July and remain for the life of the loan unless consolidated. These rates are for loans disbursed between July 1, 2025 and June 30, 2026.

- **<u>Private or Alternative Loans</u>** – Loans from banks, credit unions, and other loan sources

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What is the FAFSA?

- The Department of Education (DOE) oversees the FAFSA
- Gives the *DOE*, state government, and colleges a baseline to measure student need.
- Completed for every year that a student intends to enroll
  - ❖ Available October 1.
  - ❖ Note colleges' priority deadlines

Free Application for Federal Student Aid

Studentaid.gov

Create an FSA ID now Student and Parents

▶ Visit **StudentAid.gov/fsa-id/create-account/launch** to create an FSA ID.

▶ You'll need your Social Security number, full name, and date of birth.

▶ You'll also need to create a memorable username and password

▶ Complete challenge questions and answers so you can retrieve your account information if you forget it.

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

FAFSA® Form ⌄   Loans and Grants ⌄   Loan Repayment ⌄   Loan Forgiveness ⌄

Create an Account (FSA ID)

Step 1 of 7
Personal Information

I understand that I'll be required to certify that the information I provide to create an account (FSA ID) is true and correct and that I'm the individual I claim to be.
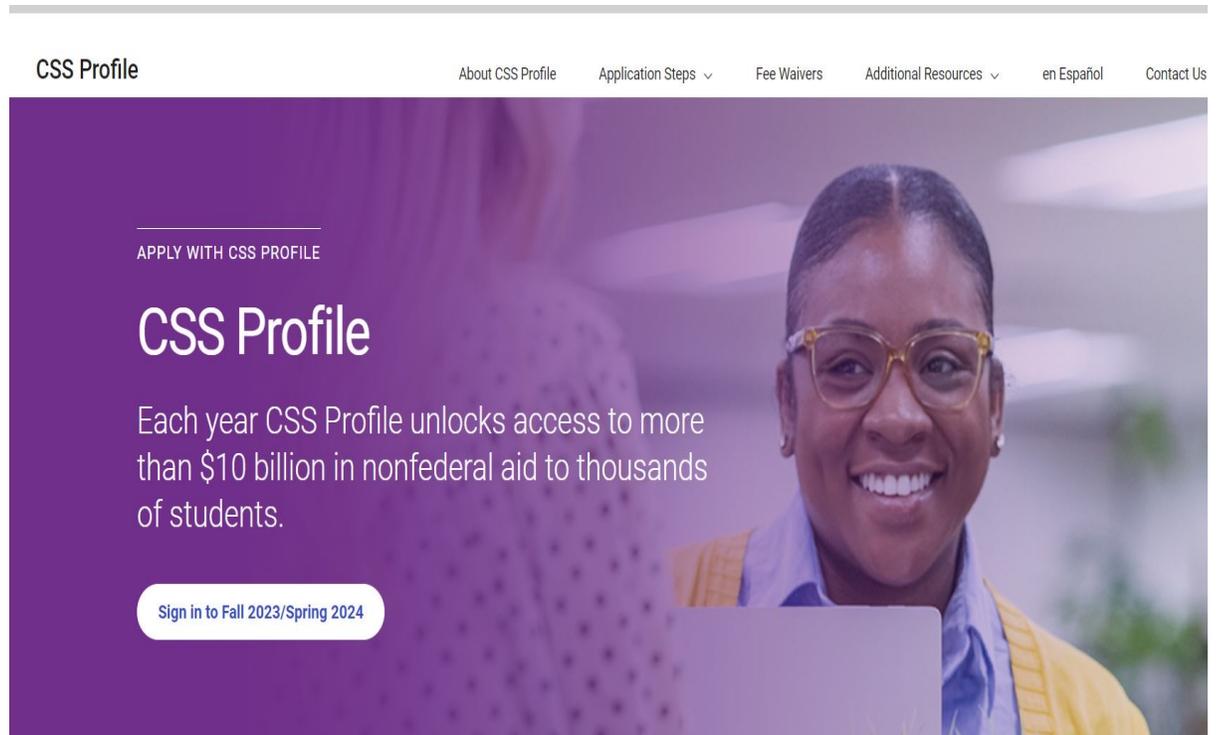
If I'm not the person I claim to be, I understand that I'm not authorized to proceed and that I should exit this form now. If I provide false or misleading information, I understand that I might be subject to a fine, prison time, or both.

First Name

Middle Initial

What is the CSS Profile?

- **College Board has another financial aid form used by over 400 schools (mostly the more selective schools)**
- **Used for non-federal aid**
- **Available to complete October 1**
- **More detailed information than the FAFSA**
- **Fee to complete $25 for the first school and $16 for each additional school.**
- **Free if your family income is less than $100,000.**

Steps to Take this Fall to Prepare Financially for College

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- 🎓 Create FSA ID
- 📄 Apply to Colleges
- 🟧 Make a list of places to look for scholarships
- ✓ Check SAT/ACT score: Should you consider retaking? Take the other test?
- 🐷 Ensure that 2024 taxes are filed
- 💵 Review family budget for college expenses
- 🧮 Review colleges' financial aid information – net calculators

Questions