



Financial Aid 101:

Understanding Financial Aid
For Your College Search

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DAVIDSON
COLLEGE

What will we cover?

- Net Price Calculator
- How to apply
- What about when parents don't live together
- Cost of Education
- Financial Aid Terminology
- Types of Aid Available
- Packaging/Awarding
- Consumer Tips



Things to understand about financial aid from the beginning

- Students must apply for financial aid annually.
- Aid will be based on “Prior-Prior” financial information (Federal standard). Students entering college in Fall 2027 will use 2025 tax info.
- The student and family are ultimately responsible for paying for college.
- Schools are attempting to measure a student’s ability to pay, not their willingness.
- The financial aid process will vary from school to school. This includes financial aid deadlines. Pay attention to websites and e-mails.



Net Price Calculator

- Allows students to determine what aid might look like for them
- Only as good as the estimates you put in
- Read each line, even the instructions if you aren't positive
- Do this at every school you are looking at, they will vary greatly depending on college policies



How do students apply for financial aid?

FAFSA

- Free Application for Federal Student Aid
- Goes live Oct. 1 each year
- www.Studentaid.ed.gov

CSS Profile

- Required by SOME colleges
- Requires a fee (income -based waivers available)
- CollegeBoard.org

At College's Discretion

- Tax returns and W-2 forms (must be IRS valid returns)
- CSS PROFILE from Noncustodial parent

Don't Forget: Use 2025 tax/financial information



What about when parents are no longer living in the same house?

FAFSA

- Parent who provides more than 50% of the financial support
- Child support paid is counted as support for the person who pays it, not receives it

CSS Profile

- The parent who filed the FAFSA does the original Profile
- When that is complete, the second parents can do their Profile
- Information is not shared across the two parents

At College's Discretion

- Non-custodial parent waiver if the second parent is absent or dangerous to the student



How is need -based aid eligibility determined?

Cost of education

$$\begin{aligned} & - \text{Expected Family Contribution} \\ & = \text{Student's financial need} \end{aligned}$$



What is Included in the Cost of Education?

Cost of Education

Direct

- Tuition and fees
- Room and board

Indirect

- Books and supplies
- Transportation
- Personal expenses

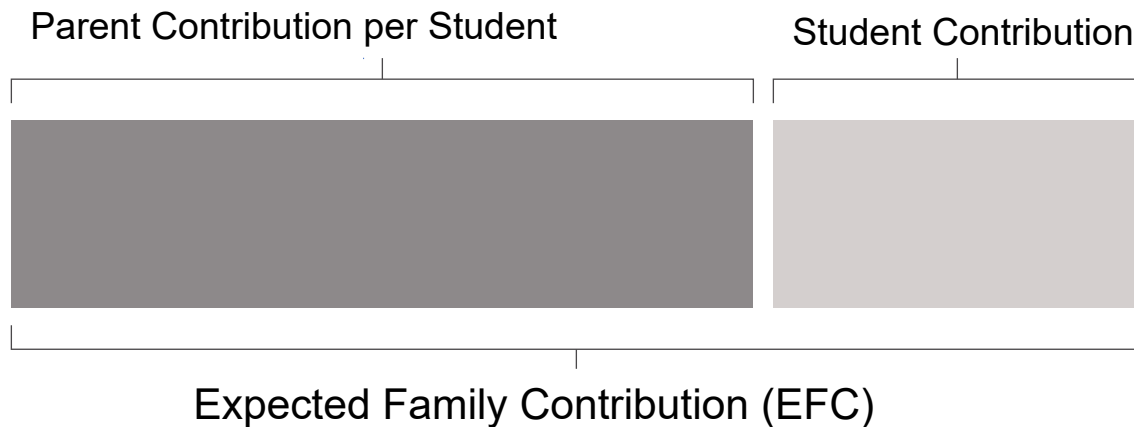


What is the “Expected Family Contribution/SAI?”

- A figure derived from the financial data provided on the FAFSA and/or PROFILE
- Represents the **calculated** ability of the family to contribute toward the cost of education
- Takes into account factors such as income, assets and household size
- **Annually determined** , so can change from year to year as factors change



How is “Expected Family Contribution/SAI” calculated?



Components of a financial aid award/package

Gift Aid

- Grants (Institutional, Federal, and State)
- Merit - Based or Athletic Scholarships
- Funds not requiring work or repayment

Self Help

- Student Employment
- Student Loans (at some schools)



Merit Scholarships

- Funds awarded on the basis of factors **other than** financial need
 - *Academics*
 - *Talent*
 - *Service*
 - *Other*
- Procedures for being considered vary
 - *Nomination*
 - *Application*
 - *Admission application*
- Whether a school offers merit scholarships and number offered depends on:
 - *Selectivity/Position in higher education market*
 - *Allocation of resources*
 - *Philosophy*



Athletic Scholarships

- Awarded by athletics department, not admission/financial aid office
- Both partial and “full” athletic scholarships can be offered
- The majority of athletes are receiving partial scholarships
- Some schools offer athletics, but not athletic scholarships
 - *Ivy League*
 - *NCAA Division III*



Questions To Ask About Merit and Athletic Scholarships

- Is the scholarship renewable?
- If so, what are the requirements for renewal?
- Will it affect my need -based aid eligibility?



How is need met?

(Sample Aid Packages)

	Davidson	Public U.	Private U.
Cost	\$95,000	\$35,000	\$57,000
EFC	\$20,000	\$20,000	\$20,000
Need	\$75,000	\$15,000	\$37,000
Merit	\$0	\$0	\$20,000
Grant	\$72,500	\$7,500	\$4,500
Loan	\$0	\$5,500	\$5,500
Work Study	\$2,500	\$2,000	\$2,000
Total Aid	\$75,000	\$15,000	\$32,000
Unmet Need	\$0	\$0	\$5,000
Total Paid	\$20,000	\$20,000+loan +interest	\$25,000+loan +interest



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+interest**

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What if my financial circumstances change?

- Institutions **may** choose to apply professional judgement decisions at different times throughout year or wait until next annual filing
- **May** affect family contribution
- Communicate changes and have documentation prepared



Do you have any “consumer tips?”

- Consult your College Counselor to make sure you are doing everything they need
- Avoid scholarship programs and search services that charge fees
- Negotiation? Price matching?



New Graduate School Loan Limits

- Students are now limited in borrowing for graduate school in federal loans
- Private loans will require a co-signer
- \$20,500 or \$50,000 a year, depending on program
- \$100,000 or \$200,000 total for a lifetime



What about outside scholarships?

- They **CAN** replace self -help (loan and work) components of aid award
- They **CAN** fill in difference when schools “Gap” award
- They **CAN** add to a merit-only award
- They **MIGHT** reduce the family contribution
- Total of financial aid and outside resources can’t exceed total Cost of Education



SCHOLARSHIP SEARCH ENGINES

**FREE*

1. Scholly - <https://myscholly.com/>
2. College Board - <https://bigfuture.collegeboard.org/scholarship-search>
3. Fastweb - <https://www.fastweb.com/>
4. Scholarships.com - <https://www.scholarships.com/>
5. Cappex - <https://www.cappex.com/>
6. Chegg - <https://www.chegg.com/scholarships>
7. Niche - <https://www.niche.com/colleges/scholarships/>
8. Scholarship Monkey - <http://www.scholarshipmonkey.com/>
9. Look locally - example <http://cfgreateratlanta.org/community-impact/scholarships/>
10. micro-scholarships - <https://www.raise.me/>
11. Going Merry - <https://www.goingmerry.com/>

Additional Questions?

Thank you
for coming!

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