Muhlenberg College

An Introduction to Financial Aid

Understanding the Basics

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What is Financial Aid?

- Financial assistance from the state or federal government, institution or other outside source to help families cover the cost of attendance
  - **Gift aid** – Free money that you are not required to pay back
    - Grants
    - Scholarships
  - **Self-help** – money that needs to be earned or repaid
    - Work study
    - Student loans

Financial fit should be part of your college search throughout the process

- Nearly 40% of students who turned down their highest preference college cited a reason related to cost (*Inside Higher Ed)*
- College is a long-term investment for the student *and* family
- Knowing your financial aid expectations and needs throughout the entire admissions process helps to create a balanced college search

Know before you go

Federal Student Aid Estimator

- Studentaid.gov/aid estimator
- 5–10 mins
- Best for families just getting started, most accurate in spring of your junior year
- Early estimate of your SAI

Net Price Calculator

- Each college's specific website
- 10–30 mins, depending on the college
- Great for narrowing down your college visit or application list
- Project your total aid at that specific school

Early Estimate Forms

- Some college's financial aid office
- About the time it will take to complete a FAFSA
- Most often provide a written estimate of aid prior to application or admission
- Best for a student considering a binding commitment (Early Decision, Restricted)

» FINANCIAL AID

Early Scholarship and Aid Review

If you are sure Muhlenberg is right for you, get an early estimate of the scholarships and/or financial aid you may be offered if admitted.

FAFSA

Required for need-based aid consideration

- **» Early Decision I** – November 15
- **» Early Action** – December 1
- **» Early Decision II and Regular Decision** – February 1

CSS Profile

Strongly encouraged but not required

- » Submit by your admissions application deadline
- » Fee waivers available

LEARN MORE
admissions.muhlenberg.edu/register/esar



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Calculating Student Need

Need-based financial aid

- Philosophy is to ask every family to contribute what they can
- A combination of grants or scholarships, work and loan programs attempting to meet the need of the family.
- Provide more financial aid to those with less resources
- An institution may calculate your need slightly differently than the next institution

Calculating your need (and terms to understand)

Cost of Attendance (COA)

– Student Aid Index (SAI)

= Your demonstrated financial need

Calculating your need (and terms to understand)

Cost of Attendance (COA)
– Student Aid Index (SAI)
= Your demonstrated financial need

- **Cost of Attendance** is the estimation of what it will reasonably cost a student to attend the institution for one year.
- It will include direct (billed) costs, and indirect (estimated out of pocket) costs.
  - Tuition
  - Fees (technology, health, etc.)
  - Room & board

  Direct costs

  - Books
  - Transportation

  Indirect costs

Calculating your need (and terms to understand)

Cost of Attendance (COA)

– Student Aid Index (SAI)

= Your demonstrated financial need

- **Student Aid Index (SAI)** is the amount a family can contribute, over a 9-month period through
  - Direct contribution from income
  - Drawing down on assets
  - Borrowing against assets
- The SAI is a number used in a formula, your actual net costs may vary depending on the institution

Calculating your need (and terms to understand)

Cost of Attendance (COA)

– Student Aid Index (SAI)

= Your demonstrated financial need →

- **Your financial need** is the difference between Cost of Attendance and SAI. Different institutions will have different policies and strategies to attempt to meet this need

Schools may calculate your need differently

Federal Methodology

- Uses FAFSA information only
- Primary parent and spouse
- Assets of parent and student, but does not include the primary home
- Applied the same across all institutions

Institutional Methodology

- May use the CSS PROFILE or other forms in addition to the FAFSA
- Family composition is looked at in detail
- Noncustodial parent may be included
- Assets may include those in a siblings name, home or business equity
- Allows for customizing based on institutional priorities

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How do most colleges determine your SAI?

FAFSA: Free Application for Federal Student Aid

- Required for any federal funds, commonly required by colleges
- Will provide you with your SAI at the completion
- Can list up to 20 Colleges
- Uses tax information from the year two years prior to when you plan to enroll
  - Fall 2027, uses the taxes from 2025 that you filed in spring of 2026
- Gather bank account and asset information

FSA ID Requirement

- All students and contributors must create a StudentAid.gov account to complete the FAFSA form online.
- To log in to their accounts, students and contributors will use their FSA IDs (account username and password).
- Even if a contributor doesn't have a Social Security Number, they can still get an FSA ID to fill out their portion of the student's FAFSA form online.
- We are encouraging BOTH parents if married to have an FSA ID and password
- Make sure that the student does NOT use school email address and EACH FSA ID (student and parent(s)) use a unique email address

- NOTE: A student must be a U.S. citizen or eligible noncitizen to be eligible for federal student aid.

Which Parent Must Complete the FAFSA?

- Parents married, filed joint tax return only one parent required to complete FAFSA. If married filing separate then BOTH parents will be contributors
- When parents are divorced, separated or never married, and do not live together, only one parent must complete the FAFSA
- The parent who provides more financial support to the student, not the parent that the student lived with the most
- If one parent pays child support to the other parent, that parent is parent of record, assuming support amounts to more than half of student's support
- If equal support is given; parent of record is one with the higher income or assets
- If this parent has remarried as of the date the FAFSA is filed, the stepparent's income, assets, and dependents must be reported on the FAFSA
- Unless there is conflicting information, there is no requirement for Colleges to verify or otherwise confirm which parent provides greater portion of support

What you need to know--Contributors

- A students answers on the FAFSA form will determine which contributors (if any) will be required to provide information.
- Students invite contributors to complete their portion of the FAFSA form by entering the contributor's name, date of birth, Social Security Number, and email address.
- Contributors will receive a email with the invite and unique code to access the student FAFSA form
- If a student or required contributor doesn't provide consent to have their federal tax information transferred into the FAFSA form, the student will not be eligible for federal student aid— even if they manually enter tax information into the FAFSA form.
- Contributors must provide personal and financial information in their own sections of the FAFSA form, but they are not financially responsible for the student's education costs.

Five Steps for Contributors

- Contributor receives email informing them that they've been identified as a contributor.
- Contributor creates a StudentAid.gov account if they don't already have one.
- Contributor logs into account using their FSA ID (account username and password) and unique code sent with invite AFTER the student has completed their portion.
- Contributor reviews information about completing their section of the FAFSA form.
- Contributor provides the required information on the student's FAFSA form.

Avoid the MOST Common Error on the FAFSA:

- Students should complete their portion of the FAFSA FIRST! Parents should not complete the student's portion for them OR do their parent portion first before student starts their form.
- Also double check:
  - Name (legal)
  - Date of birth
  - Social Security Number
  - E-mail address
  - Address
  - Zip code

Independent Students

- Other students can continue to be considered independent students on the 2027-28 FAFSA form and will not be required to have their parents be contributors. For the 2027-28 award year, an independent student is one of the following:
- 24 years of age or older at the time of FAFSA submission
- married (and not separated)
- a graduate or professional student
- a veteran or a member of the armed forces
- an orphan or a ward of the court
- someone with legal dependents other than a spouse
- an emancipated minor
- someone who is unaccompanied and homeless or self-supporting and at risk of being homeless

CSS PROFILE: College Scholarship Service

- Used by more than 200 institutions
- “Common Application for financial aid”
- Available to complete beginning in September
- Fee to fill out for families earning $100,000 or more
  - $25 to complete, plus $16 to send to each additional institution
- Fee waivers may be available from the institution directly
- If self reported AGI is less than $100,000 or student has qualified for a SAT fee waiver the fee is automatically waived
- cssprofile.collegeboard.org

Primary documentation & Institutional Forms

- Some schools may require tax documents, W-2s, or other primary documentation
- Students selected for a verification through their FAFSA will be notified by each institution if they require additional documentation
- Check with individual schools for short institutional forms

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What does a Financial Aid Offer Look Like?

Meeting full need

- An institution that meets full need will calculate your need through the formula

  Cost of Attendance (COA)

  – Student Aid Index (SAI)

  = Financial Need

- The total financial aid award will equal the financial need

Scholarships and Grants

- Federal
  - Pell grant
    - For families with an lower SAI
  - Supplemental Education Opportunity Grant (SEOG)
    - For high need families but will vary by institution
- State
  - Often do not travel out of state
  - For families with an SAI that is lower< $15,000 is typical
  - Pay attention to state grant deadlines each year
- Institution
  - Merit scholarships (academic, athletic, artistic, etc).
  - Need-based grants (must have demonstrated financial need remaining)
- Private or outside resources
  - Look locally, online and through your counselors
  - Fastweb.com, Niche.com, Scholarships.com

Work study (student employment)

- May be listed as federal, state or institutional employment
- Student must get a job and collect the paycheck, the amount is not directly credits to the bill
- Earnings do not impact future FAFSA filing
- Each institution will have their own policies and limits

Student Loans (current 26-27 interest rate is 6.52%)

Federal Direct Loan

- Commonly included in financial aid awards
- Lent directly to the student with no cosigner required and competitive interest rates/repayment plans
- Maximum of $5,500 total in year 1, $6,500 in year 2, and $7,500 in year 3 & 4

Subsidized

- Does not earn interest until a student is no longer enrolled at least half-time.
- Interest begins to accrue at graduation
- Must have demonstrated financial need
- Maximums are $3,500, $4,500, and $5,500

Unsubsidized

- Interest begins to accrue as soon as the loan is disbursed
- No demonstrated need required, but must have a valid FAFSA
- Can borrow up to the total maximums, minus any subsidized loan
- Example: year 1: $3,500 in subsidized + $2,000 in unsubsidized = $5,500 total

Merit-based financial aid

- Philosophy is to use scholarship or grants funds to attract the top students to enroll in their institution based on the institutional needs
- Awards can be based on academic, athletic or artistic talent
- Most if not all of the most selective schools (Ivy League as an example) DO NOT offer merit scholarships

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What should I be asking?

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What should I be asking?

- How does financial aid impact your admissions process?
- Do you offer merit-based scholarships? If so, what are the requirements or deadlines?
- Do you guarantee to meet full need?
- Can I expect to receive a similar financial aid package for all of my enrolled time?

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What should I be asking?

- What is your policy on outside scholarships?
- What is your financial aid deadline and what forms do your require?
- When, and how, will I get my financial aid notification?
- If the financial aid award is insufficient, what options do I have?
- Any unique or special circumstances that you may have

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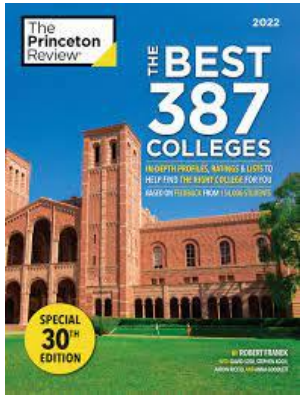
Return on Investment

You need to determine how you will measure your return on investment



nerdwallet

We do the homework for you.



BEST COLLEGES

U.S.News & WORLD REPORT

PayScale





CHALLENGE EVERY DAY

50+
areas of study

Required experiential learning through opportunities like research, internships, study abroad, or community-engaged learning.

Pathways for Discovery curriculum challenges students to take risks and cultivate curiosity across disciplines. Exploration of the liberal arts helps students discover their passion and guides them toward a field (or fields!) of study.

Each first-year student is supported by a **dedicated coaching team** of a faculty advisor, a career coach, and a college life coach.



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WHO WE ARE

1,900+ students

23 NCAA Division III varsity sports

120+ student clubs and organizations

8:1 student to faculty ratio

15 average class size

#1 Campus food in Pennsylvania
According to Niche 2025

Named to **"Best Bang for the Buck"** list by ***Washington Monthly***

Named to **Best 390 Colleges** list by ***Princeton Review***

Named to **Best Value Colleges** list by ***Princeton Review***

Named to **Best Small Colleges in PA** list by ***Niche***

90 minutes from New York City

60 minutes from Philadelphia



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» IMPACT NOW

18,000+
internship opportunitites available each year

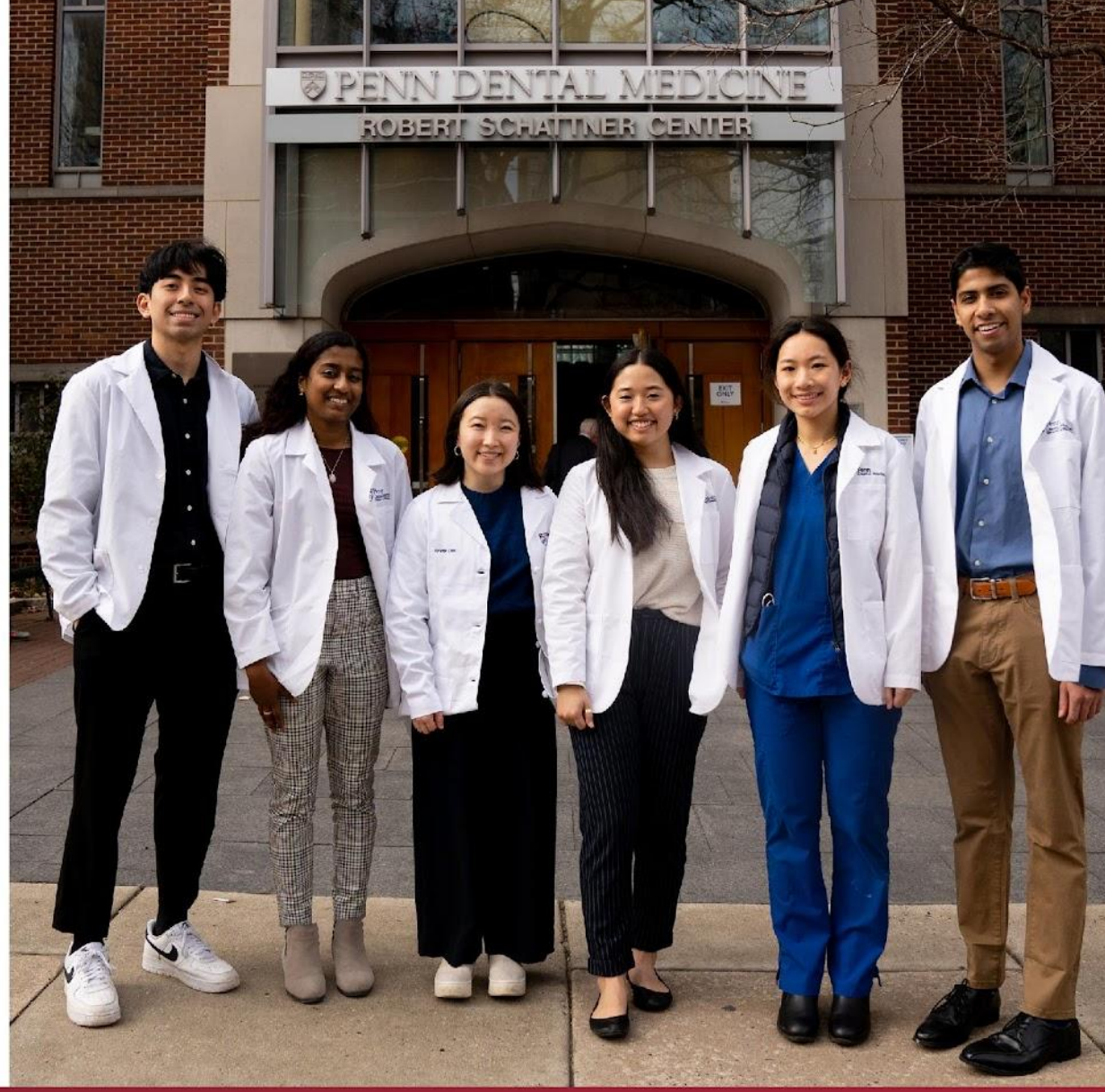
92%
acceptance rate to dental school

Students are admitted into some of the most competitive graduate programs and employed by companies like:

- » Columbia University
- » Deloitte
- » PwC
- » The Walt Disney Company
- » NBCUniversal
- » Boston University
- » University of Pennsylvania
- » New York University
- » Harvard University

90%
acceptance rate to medical school

93%
acceptance rate to law school



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Questions?

Contact me at

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GOOD LUCK!

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