Looking At The Financial Aid Process

We'll Discuss

- Overview of Financial Aid
- Financial Aid Terminology
- FAFSA Overview
- Next Steps
- We'll Help

Financial Aid Overview

Goal Of Financial Aid

The primary goal is to assist students in paying for college and is achieved by:

Evaluating the family's ability to pay educational costs.

Distributing limited resources in an equitable manner.

Provide a balance of:

- **Gift aid**
  - **grants & scholarships**
- **Self-help aid**
  - **student employment & loans**

Grants

Federal

- Pell Grant ($ 692 to $ 6,895)
- Supplemental Educational Opportunity Grant (SEOG) ($ 100 to $ 4,000)
- TEACH Grant ($ 3,772)

State

- 21st Century Scholars
- Frank O'Bannon Grant
- Workforce Ready Grant

INvestEdIndiana.org/Grants

Credit Completion

Complete 30 credit hours each year to maintain maximum grant eligibility & graduate on time.

On Time

30 Credits
- 15 Credits - Fall
- 15 Credits - Spring

60 Credits
- 15 Credits - Fall
- 15 Credits - Spring

90 Credits
- 15 Credits - Fall
- 15 Credits - Spring

120 Credits
- 15 Credits - Fall
- 15 Credits - Spring

Full Time

24 Credits
- 12 Credits - Fall
- 12 Credits - Spring

48 Credits
- 12 Credits - Fall
- 12 Credits - Spring

72 Credits
- 12 Credits - Fall
- 12 Credits - Spring

96 Credits
- 12 Credits - Fall
- 12 Credits - Spring

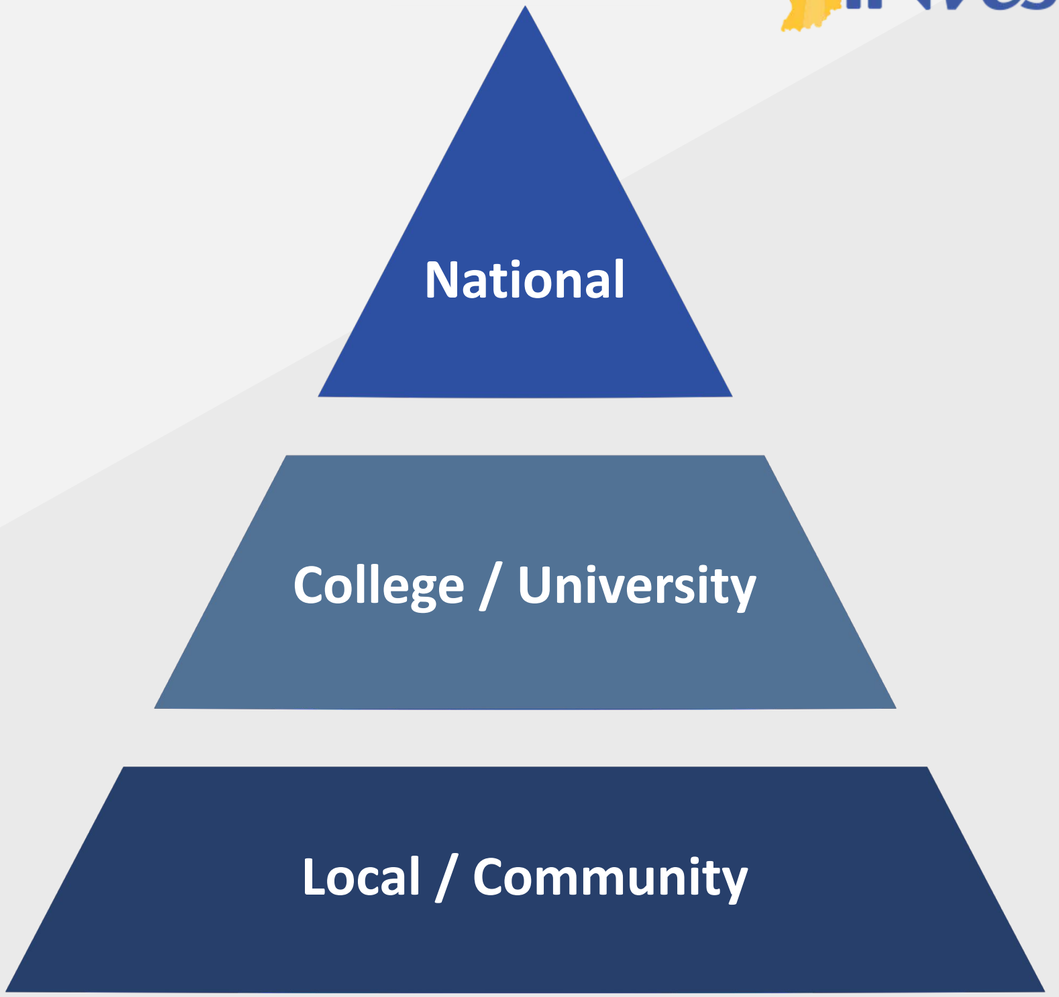
120 Credits
- 12 Credits - Fall
- 12 Credits - Spring

Scholarships

Need based vs. Merit based

Where to look for scholarships:

- FREE National Search Sites
- College/University
- Local/Community
  - School Counselor
  - Community Foundation
  - Business & Employer
  - Church & Civic Organizations



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Five
$1,000 Scholarships
Awarded

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Scholarship Drawing

Must be 16 or older to enter

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Student Employment

Benefits

- Earn money to pay for college & minimize student loans
- Job & interview experience
- Build time management skills

Options

- Federal Work-Study
- Working Part-time
- Internships

Education Loans

Federal Direct Loans
Rate: 4.99% & Fee 1.057%

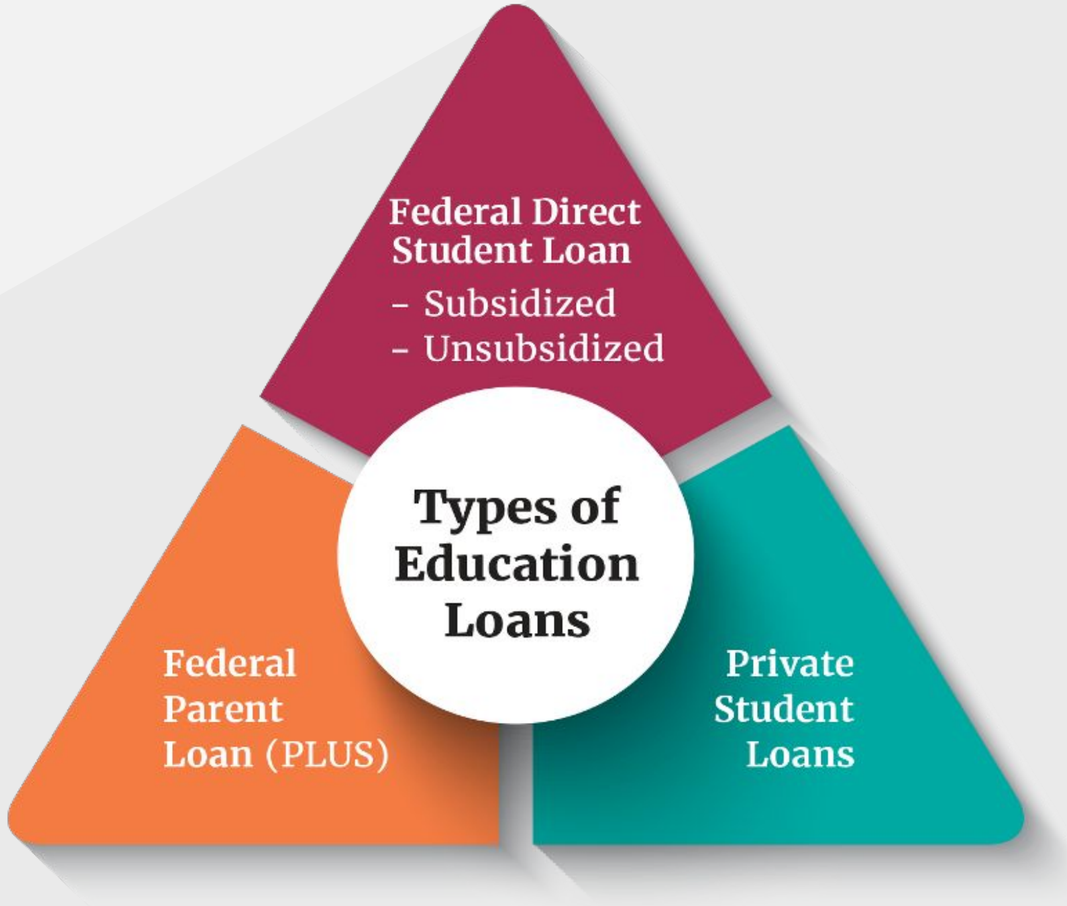
- Student's Loans
- Subsidized & Unsubsidized
- Annual Limits

Federal Direct PLUS Loans
Rate: 7.54% & Fee 4.228%

- Parent's Loan
- Eligibility impacted by adverse credit

Private Loans
Rate: Varies & Fee None

- Student and Consigner's loan
- Eligibility based on credit score & income



Financial Aid Terminology

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College Costs

Direct Costs

- What you pay directly to the college
  - Tuition & Fees
  - Room & Board

Cost of Attendance

- Direct costs + federally required estimates
  - Books & Supplies
  - Transportation
  - Misc. Personal Expenses

Direct Costs	
Tuition & Fees	11,220
Room & Board	12,100
Total Direct Cost	23,320

Cost of Attendance	
Direct Costs	23,320
Books & Supplies*	1,050
Transportation*	660
Misc. Personal Expenses*	2,170
Total COA	27,200

*Denotes estimate

FAFSA

Free Application for Federal Student Aid

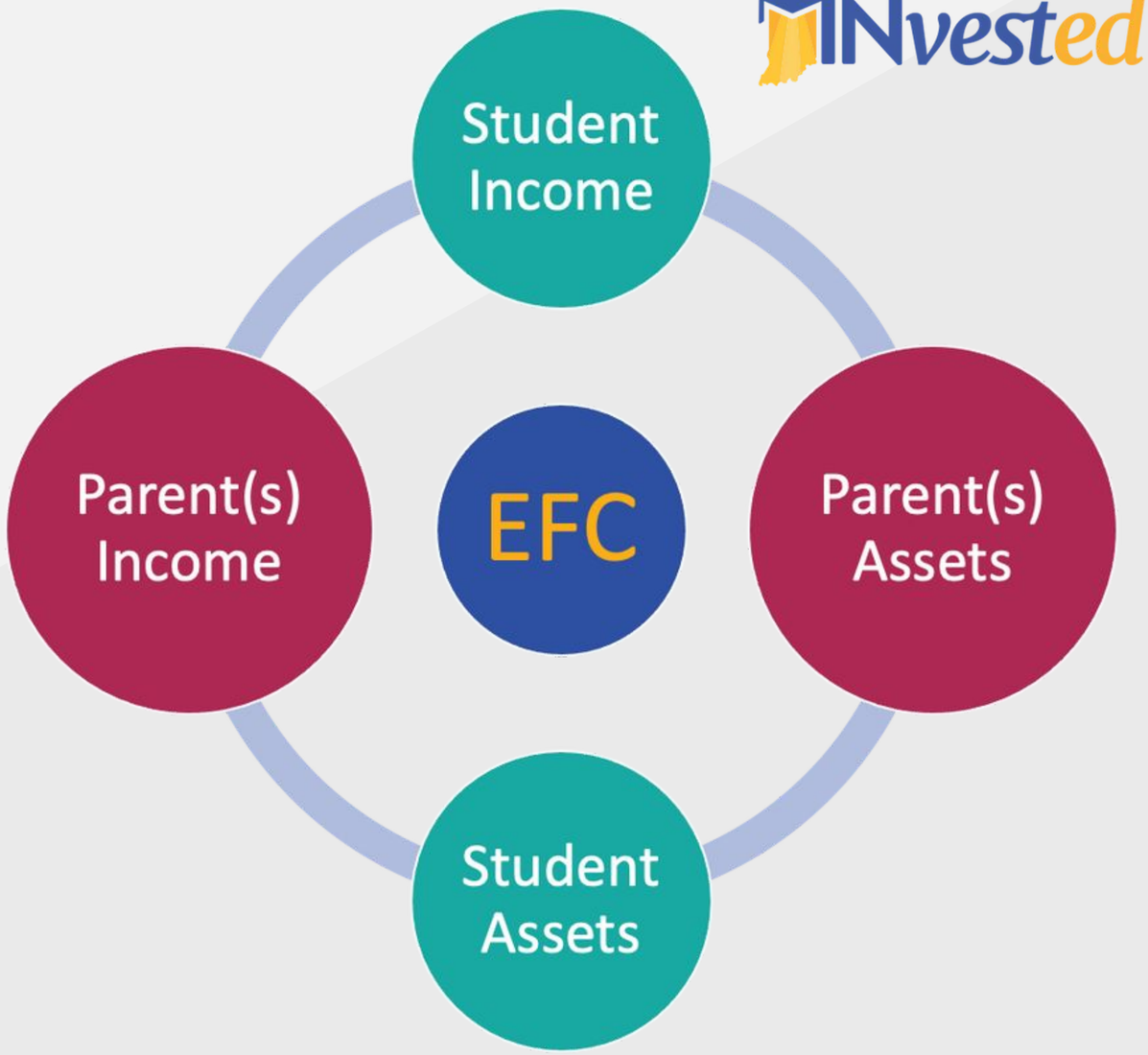
- Annual application for most forms of financial aid
- Basis for determining
  - Federal Funds
    - Grants
    - Work-Study
    - Loans
  - State of Indiana Grants
  - Some institutional funds
- Calculates student aid index

studentaid.gov

Student Aid Index

FAFSA calculation

- Based on income, assets & family data
- Commonly known as the EFC (Expected Family Contribution)
- Used by the college to calculate your financial aid offer



INvestEdIndiana.org/FAFSA

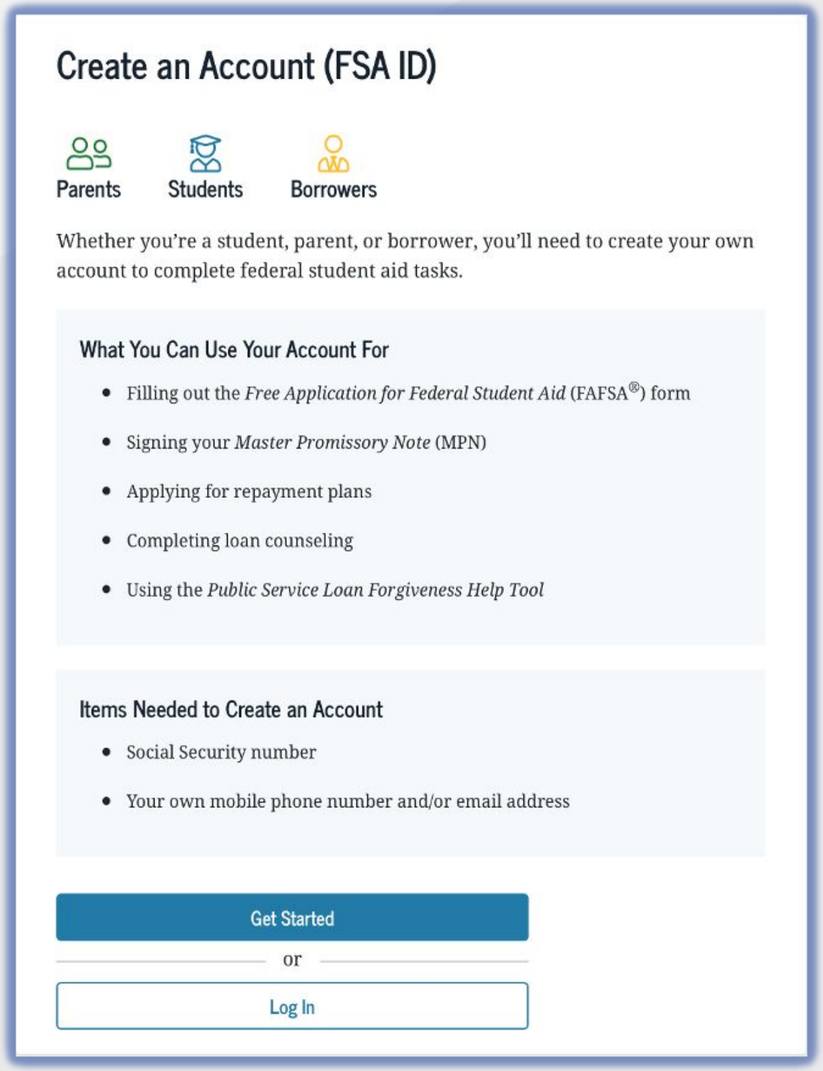
Federal Student Aid Account (FSA ID)

- Individual user account
  - Student
  - Parent
- Confirms the person's identity
- Used as FAFSA login (student)
- Serves as an electronic signature

FSA ID

Notes when creating your account:

- Student & parent can **NOT** use the same email or phone
  - Do **NOT** use high school email address
- Must provide a social security number
- Required to link email or mobile phone number to account
- Will require a two-step verification & will provide a backup code



Need help creating your FSA ID?

INvestEdIndiana.org/FAFSA

FAFSA Overview

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FAFSA

- Opens on October 1st each year
- Uses completed tax data

HS Graduation Year	FAFSA Year	Academic Year (Attending College Between:)	FAFSA Open Date	Tax Year Data
2022	2022-2023	July 1, 2022 - June 30, 2023	October 1, 2021	2020
2023	**2023-2024**	**July 1, 2023 - June 30, 2024**	**October 1, 2022**	**2021**
2024	2024-2025	July 1, 2024 - June 30, 2025	October 1, 2023	2022

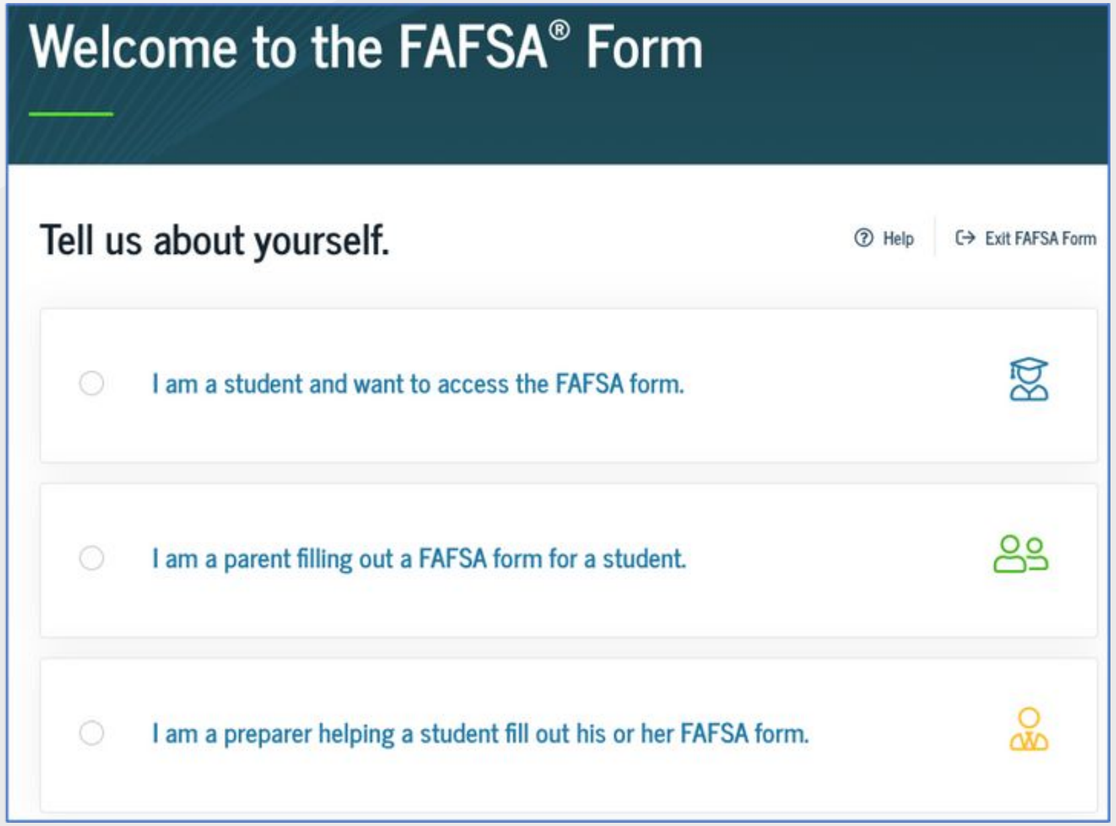
- Know deadlines
  - State of Indiana priority deadline - April 15th
  - Colleges - Ask them

FAFSA Login

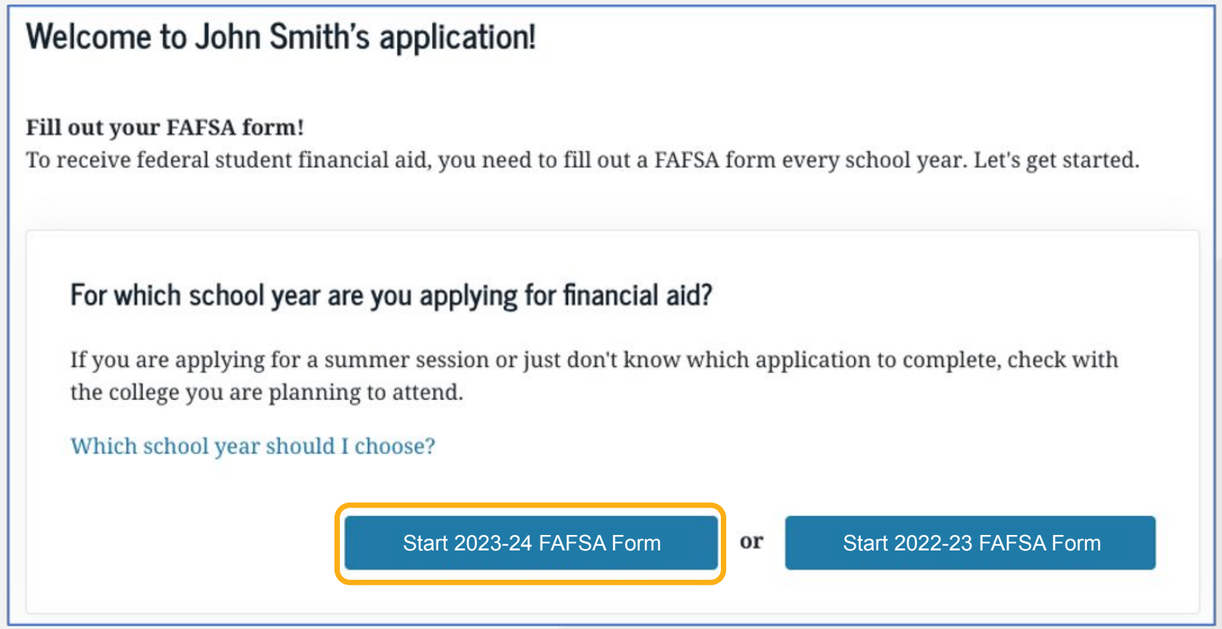
Login based on role but also ALWAYS student's info:

- Student
  - FSA ID
- Parent or preparer
  - Student identifiers
    - Name
    - DOB
    - SSN

Studentaid.gov



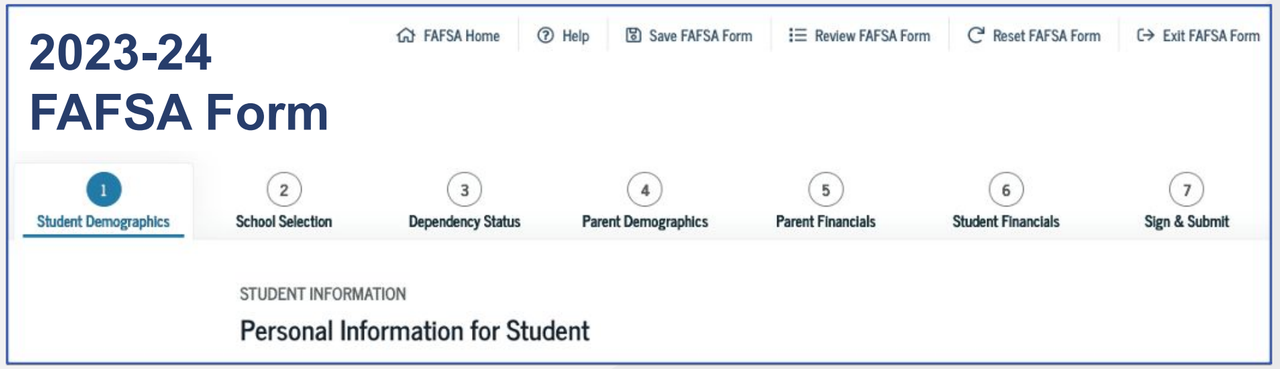
Start FAFSA



Create Save Key

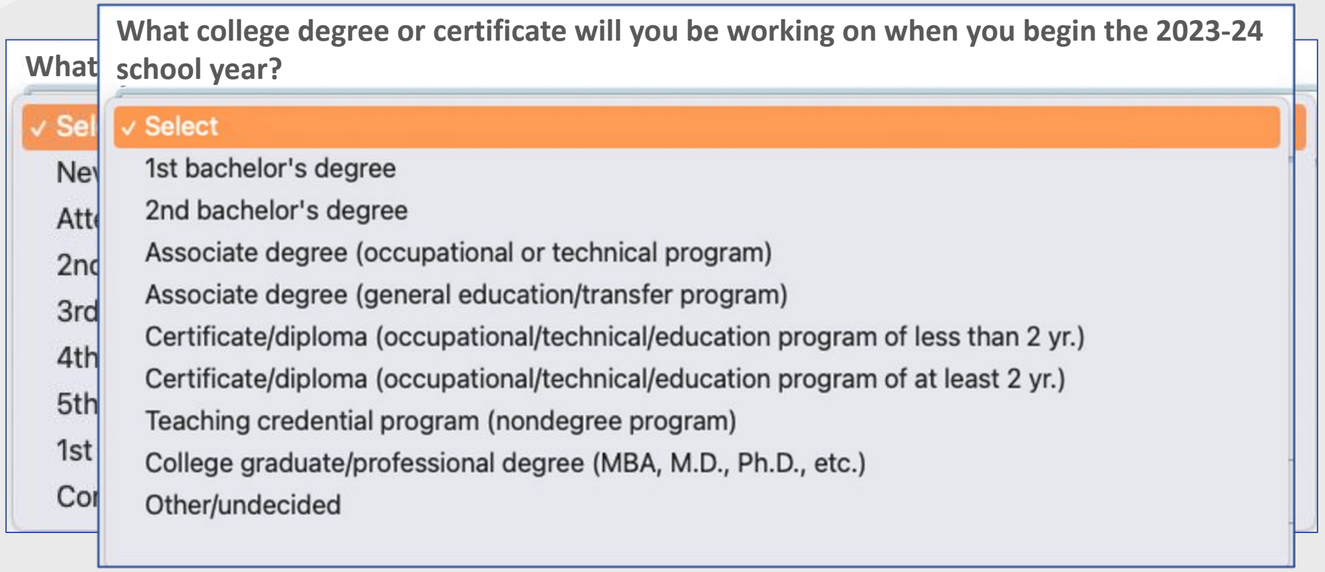
- 4 to 8 characters

FAFSA Steps



Student Demographics

- Some info loaded from FSA ID
- Questions on degree & grade level



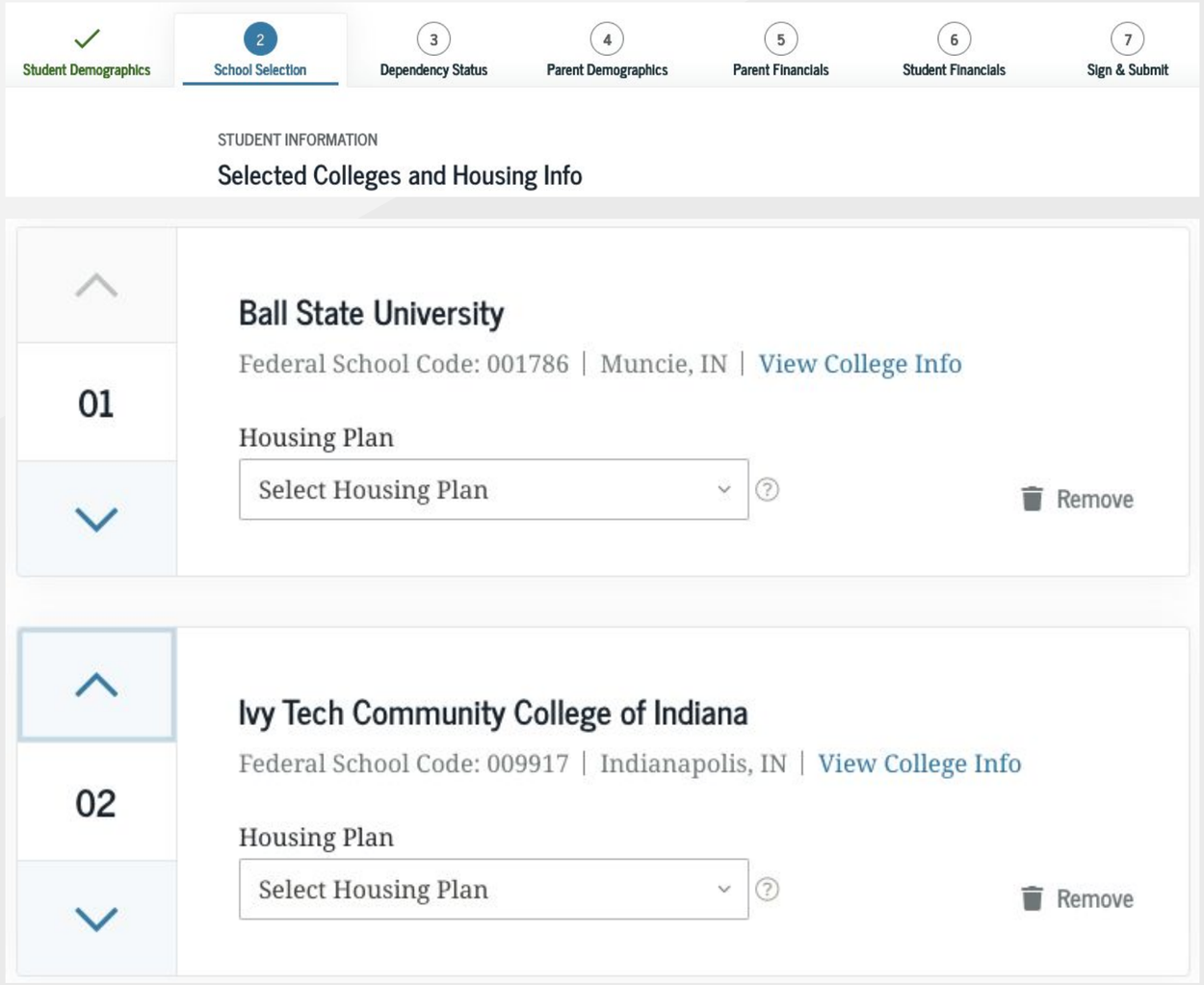
School Selection

Select colleges you want to receive your FAFSA information

- List up to 10 colleges
- Encouraged to list at least 1 college from Indiana

Select housing plans

- On Campus
- With parents
- Off Campus



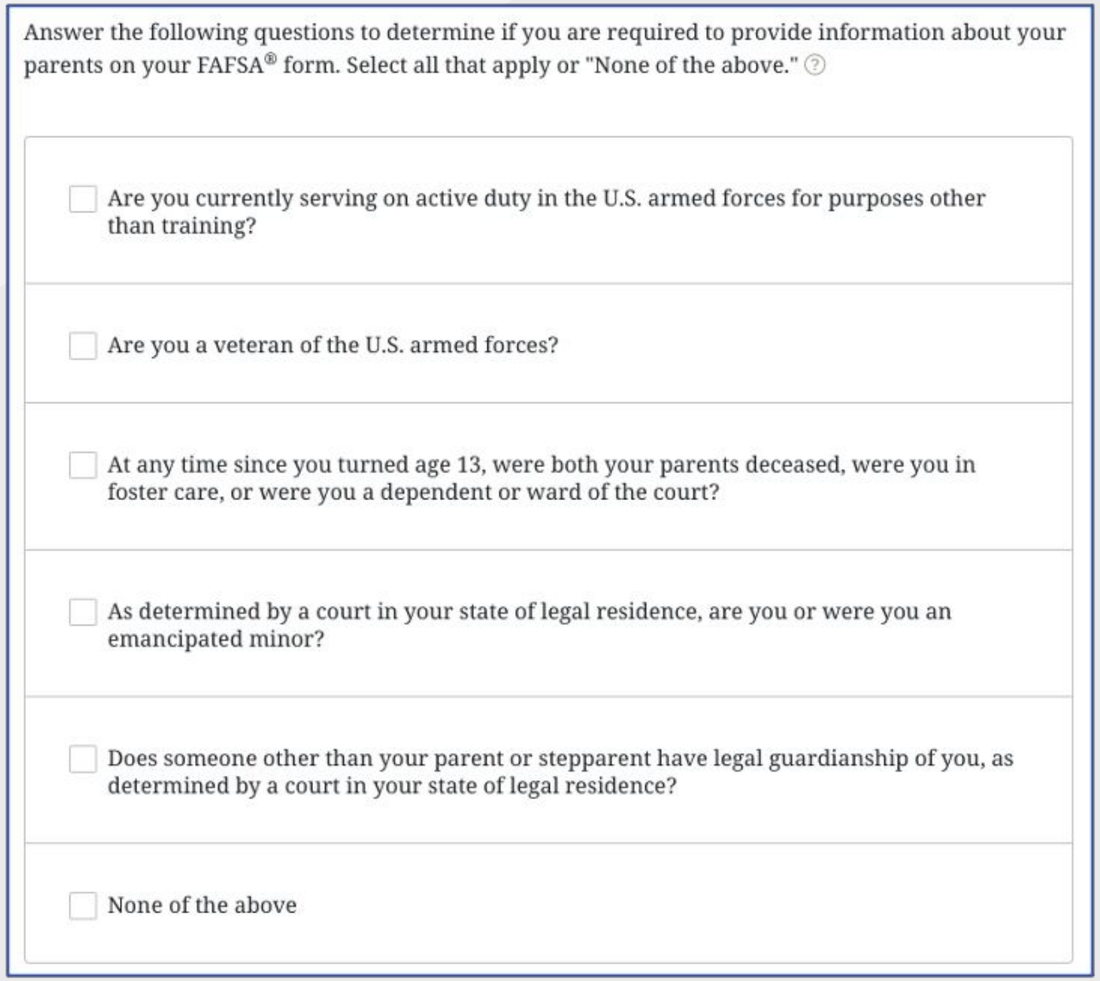
Dependency Questions

Determined from student demographic responses

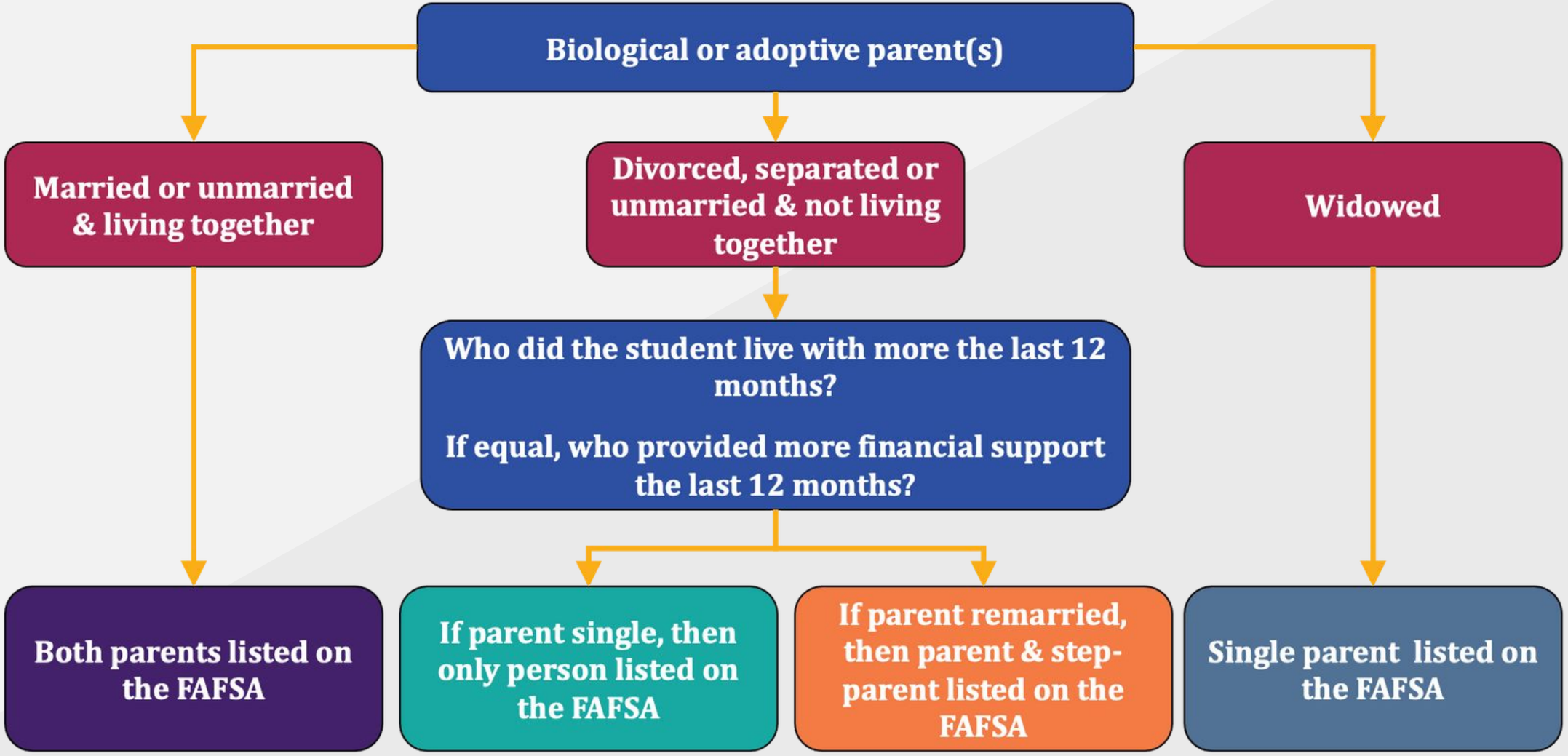
- Born before January 1, 2000
- Graduate/professional student

Questions to answer

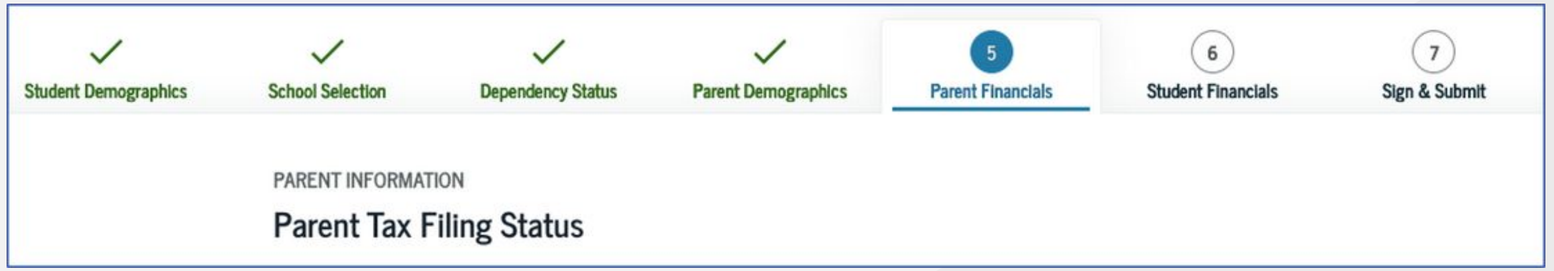
- Marital status
- Any dependents
- At risk of being homeless
- Additional situations



Who Is The Parent?



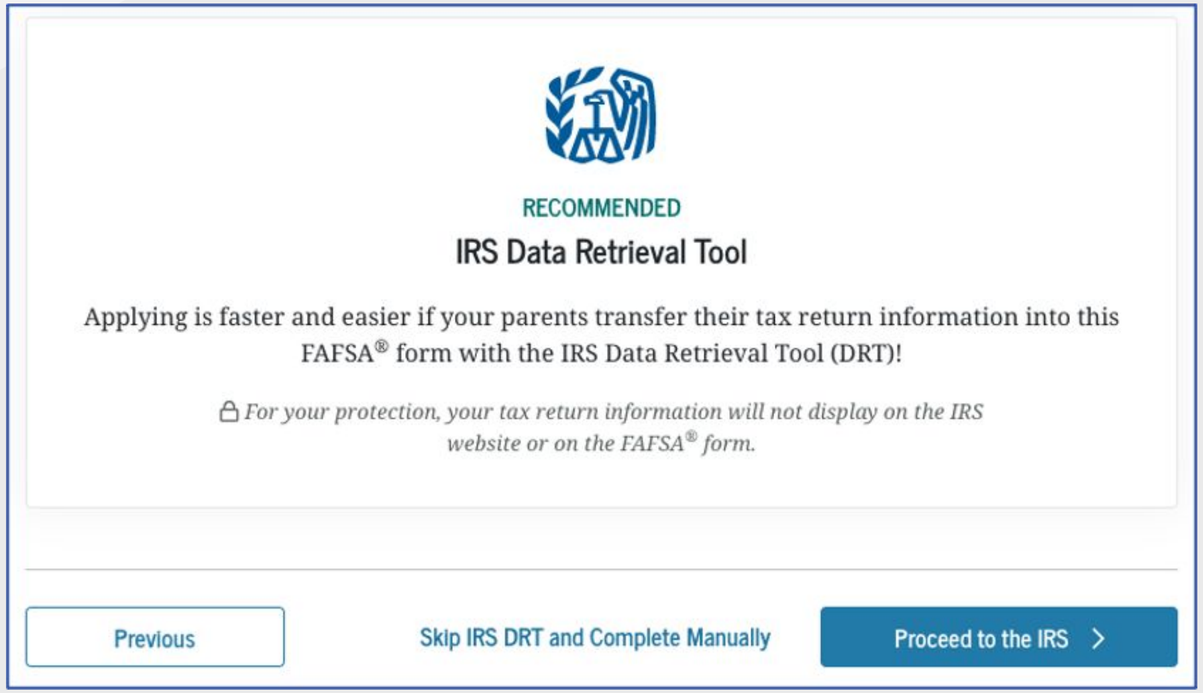
Parent Financial Information



Remember - using 2021 tax return information

- Tax returns
- W2's

We recommend transferring your taxes from IRS



Asset Information

Assets do NOT include the values of:

- The home you live in
- Retirement plans
- Value of life insurance

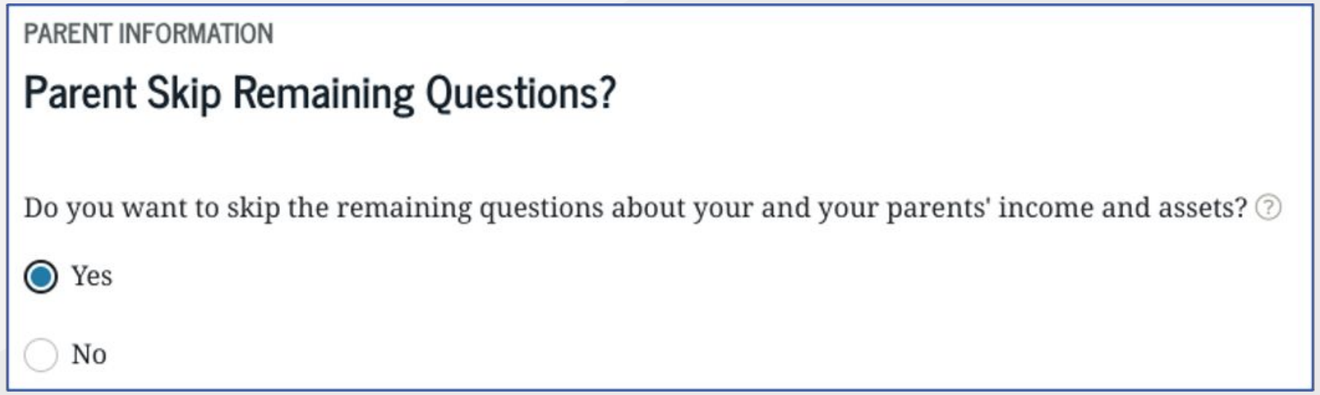
Assets DO include the values of:

- Cash, savings and checking
- Real estate
- Stocks, bonds, 529 college savings plans and other investments

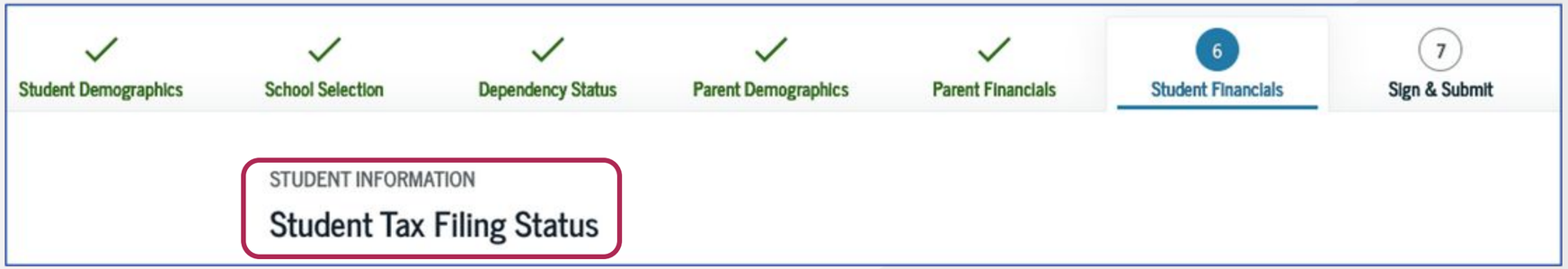
Skipping Information

If offered the opportunity to skip remaining income and/or asset questions

- Yes
  - Allows you to move to student financials or sign & submit
- No
  - Allows you to submit information but won't impact your calculation



Student Financial Information



Student financial Info:

- Same questions that parent(s) answered
- We recommend using the IRS Data Retrieval Tool

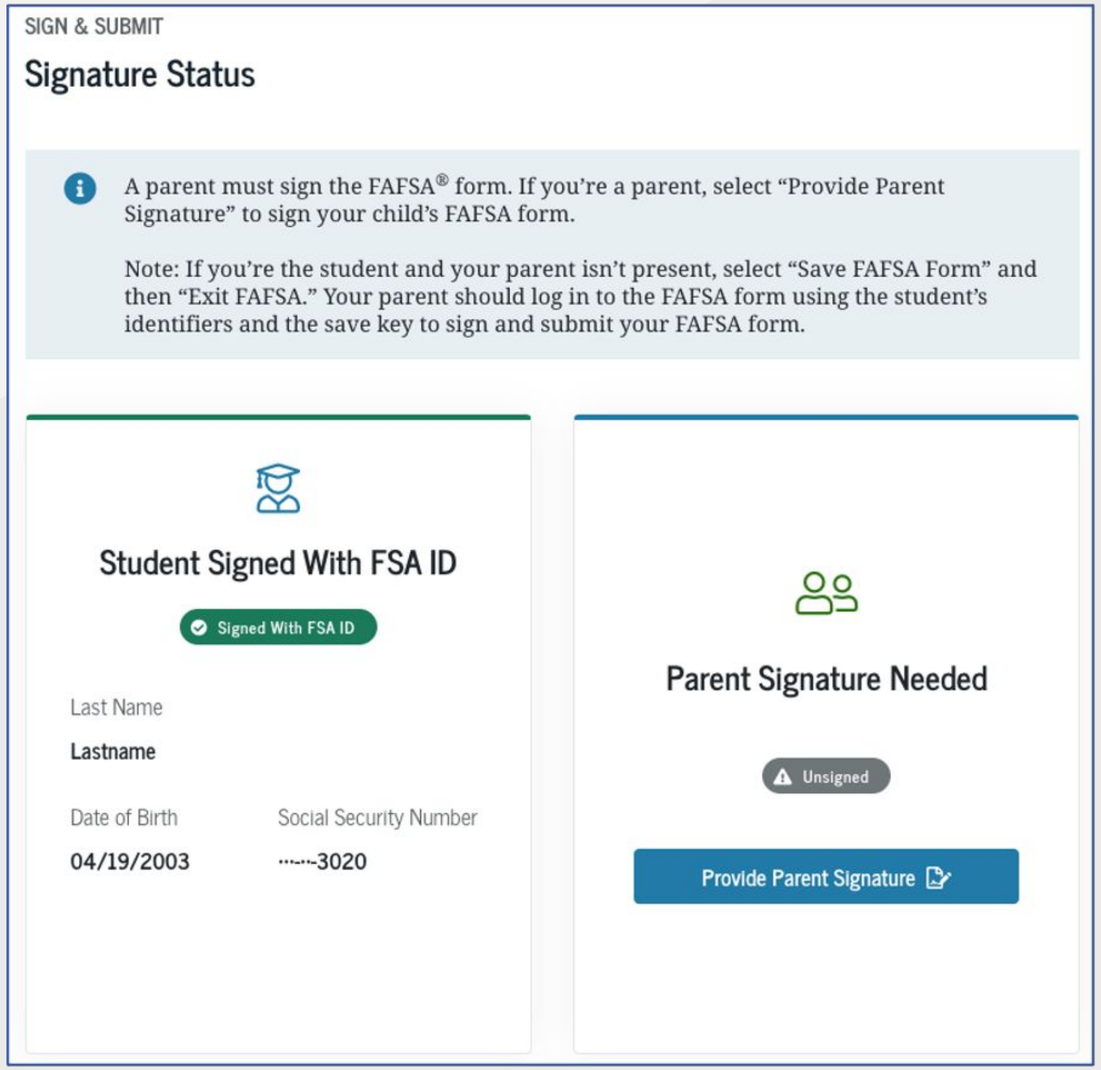
Sign & Submit

Signature's required

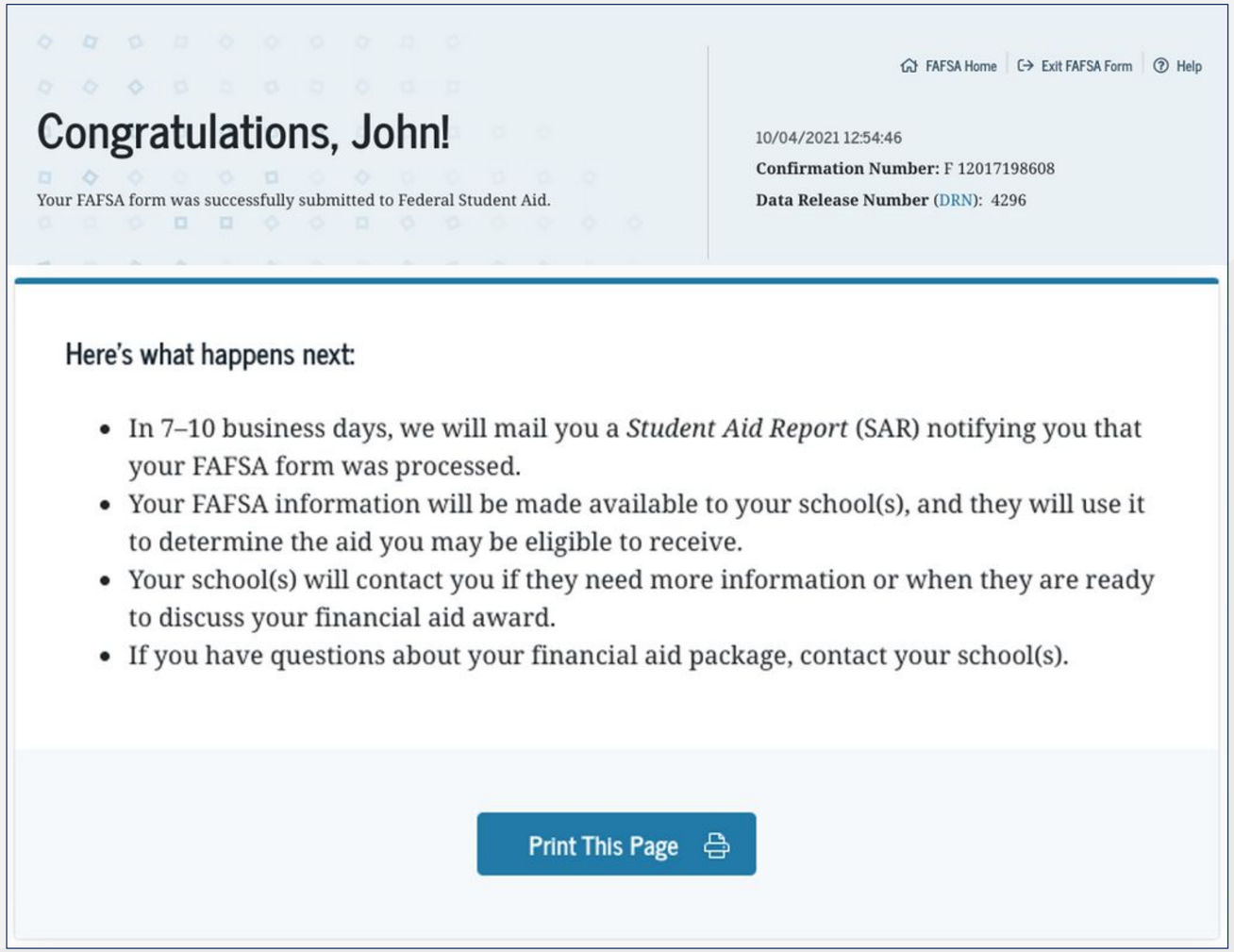
- Student
- One Parent

If parent doesn't have an FSA ID

- Print signature page, sign & mail to address



Confirmation Page



More than one student in college?

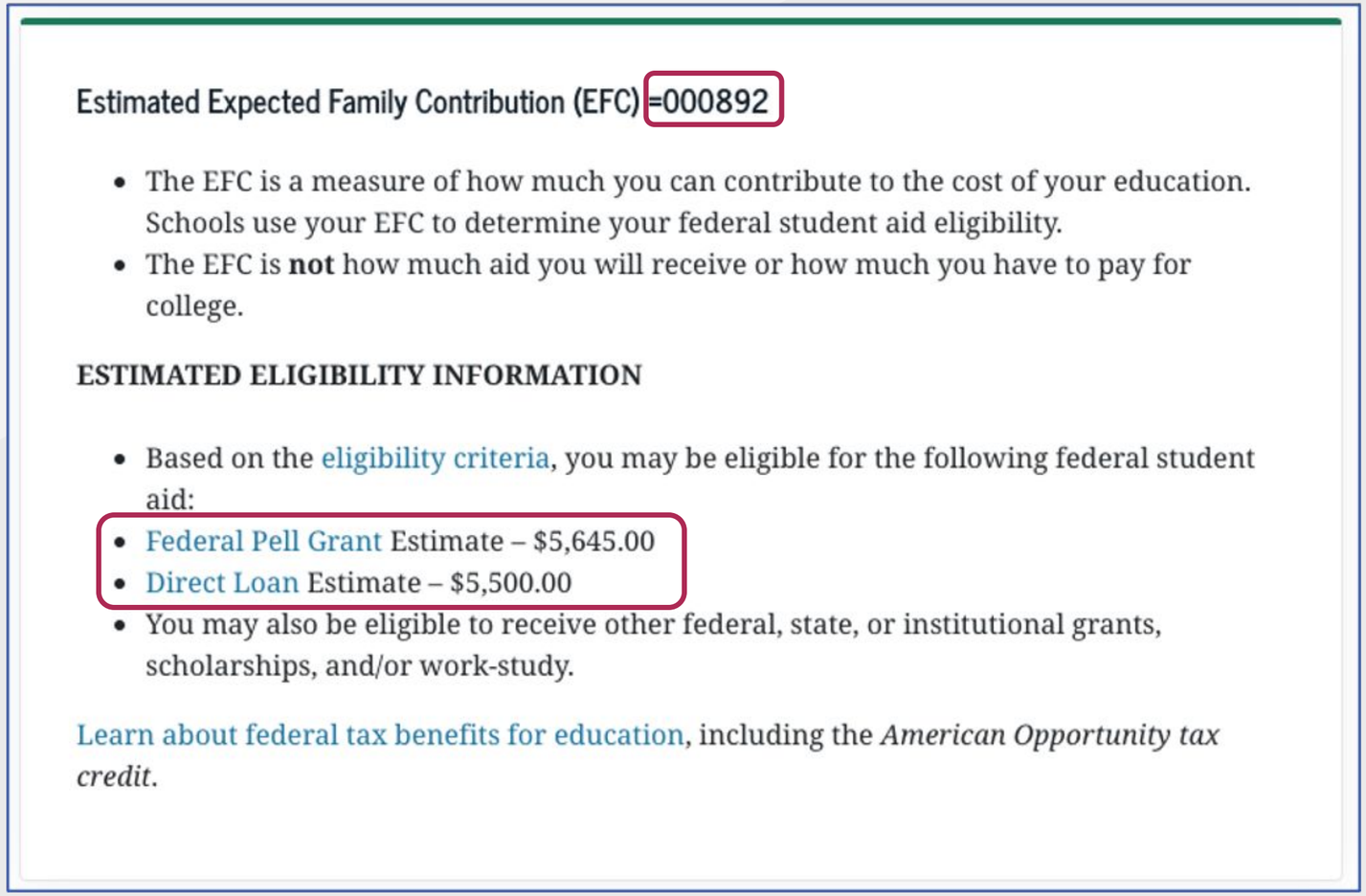
- Option provided to transfer parent info to another FAFSA

Confirmation Page - EFC

Key elements:

- EFC - 6 digits
- Estimated Pell - if eligible
- Direct Student Loan

All other aid determined by the college's Financial Aid Office



Estimated Expected Family Contribution (EFC) =000892

- The EFC is a measure of how much you can contribute to the cost of your education. Schools use your EFC to determine your federal student aid eligibility.
- The EFC is **not** how much aid you will receive or how much you have to pay for college.

ESTIMATED ELIGIBILITY INFORMATION

- Based on the eligibility criteria, you may be eligible for the following federal student aid:
- Federal Pell Grant Estimate – $5,645.00
- Direct Loan Estimate – $5,500.00
- You may also be eligible to receive other federal, state, or institutional grants, scholarships, and/or work-study.

Learn about federal tax benefits for education, including the *American Opportunity tax credit*.

Next Steps

Processing Results

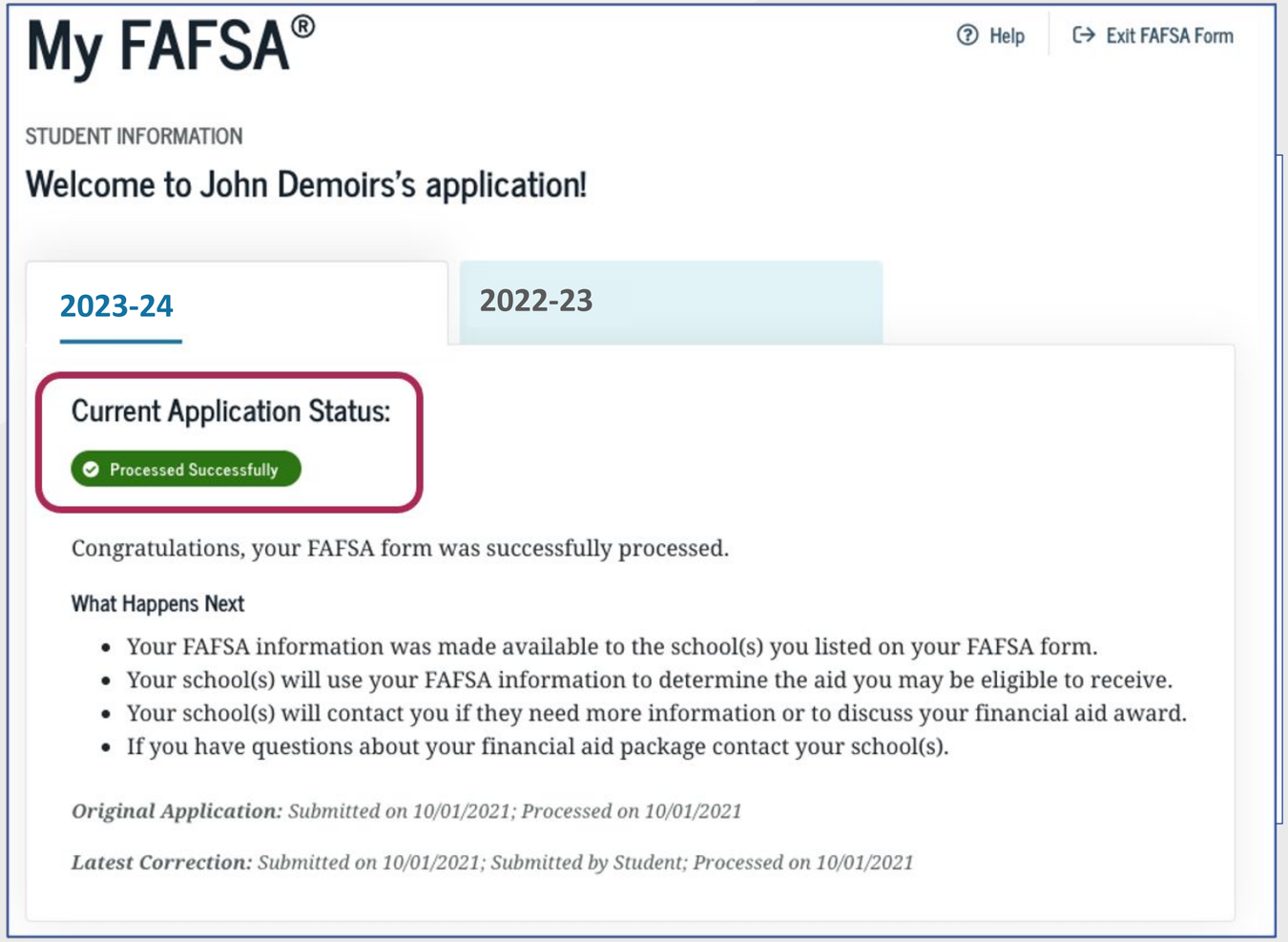
Check Status

✓ Processed successfully

✗ Other statuses - may require action

Next Steps

- Update School Info
- Edit FAFSA (make correction)
- View Correction History
  - View Student Aid Report



Special Circumstances

Changes to your situation not represented on the FAFSA may include:

- Change in employment or income status
- Medical expenses not covered by insurance
- Change in parent marital status
- Unusual dependent care expenses
- Student unable to obtain parent information

If a special circumstance occurs, contact the college's Financial Aid Office

Financial Aid Offer

Each college provides a financial aid offer outlining the following:

- Cost of attendance
- Financial aid amounts (Grants, scholarships, work-study & loans)
- Options to pay remaining balance

Timing & delivery of offer varies by college

What you should do:

- Review costs and financial aid offers
- Clearly understand your obligations
- Ask questions

Sample Financial Aid Offer

Typical Sections:

- Cost
- Grants & Scholarships
- Work Study
- Student Loans
- Remaining Balance
  - Outside Scholarships
  - Out of Pocket
  - Payment Plan
  - PLUS (Parent) Loan
  - Private Loan

INvestEd Sample University
2023-24 Financial Aid Offer

Cost of Attendance		
Tuition & Fees	$11,220	
Room & Board	$12,100	
Direct Cost Subtotal	$23,320	
Books & Supplies	$1,050	
Transportation	$660	
Misc. Personal Expenses	$2,170	
Total Cost of Attendance		**$27,200**

Financial Aid Offers		
Pell Grant	$4,250	
Frank O'Bannon State Grant	$3,250	
Institutional Scholarship	$3,500	
Grants & Scholarships Subtotal	$11,000	
Federal Work-Study	$3,000	
Direct Subsidized Loan	$3,500	
Direct Unsubsidized Loan	$2,000	
Total Financial Aid		**$19,500**
Remaining Balance		**$7,700**

We'll Help!

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College Goal Sunday

Free FAFSA help from financial aid professionals

- Sunday, November 6, 2022
- Sunday, February 26, 2023
- Time: 2:00pm (Local Time)

For more information:

CollegeGoalSunday.org

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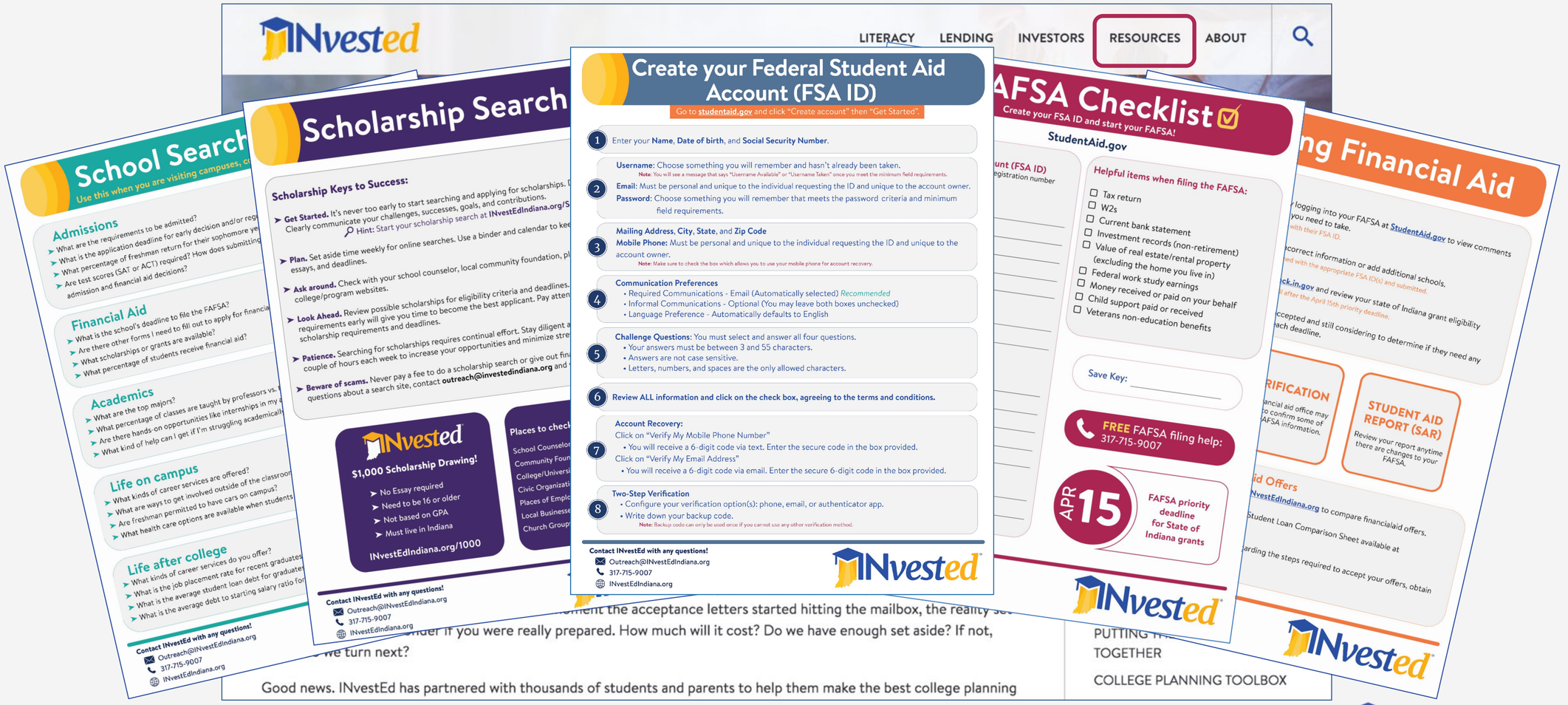

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