

# STUDENT FINANCIAL AID PRESENTATION

## Class of '14

### OVERVIEW

What is Student Financial Aid?

### APPLICATION PROCESS

Forms: FAFSA, PROFILE, GPA Verification, Scholarships, Supplemental Forms

Dream Act (no legal immigration status) application: [www.caldreamact.org](http://www.caldreamact.org)

The FAFSA – The required, common form for all colleges in the nation

Deadlines (ASAP after January 1<sup>st</sup>)

2013 tax information - Do not wait for W-2s or completed tax returns!

Filing site – [www.fafsa.gov](http://www.fafsa.gov) - Use on-line worksheet, electronic signatures

Help? Step-by-step instructions; on-line help, or 1-800-4FEDAID for help

Application workshops? Cash for College: <http://www.calgrants.org/index.cfm?navId=25>

Independent/dependent policies – *Also see handout: Dependency and Parent Information*

Divorced parents – custodial parent, federal/state vs. private funds, remarriage

Hints and explanations for completing the FAFSA

The PROFILE – Required by some private colleges

Requirements and registration – <https://profileonline.collegeboard.com>

The Cal Grant GPA verification – January or February, follow high school instructions

Applying for Scholarships – [www.fastweb.com](http://www.fastweb.com); high school bulletin boards; colleges under consideration

Beyond the initial application:

Output and verification – The SAR and individual college requests – Check student web accounts!

Tax transcripts from the IRS required of some applicants

Annual renewal process, including a renewal FAFSA

### ELIGIBILITY

Non-financial criteria: Citizen or Permanent Resident, other miscellaneous

State aid exception for students without legal immigration status or non-residents

The basic formula: COA – EFC = Eligibility

COA: The Cost of Attendance = Tuition, fees, books, supplies, room, food, transportation, miscellaneous personal items, plus special expenses in some cases (child care, medical, disability)

EFC: The Estimated Family Contribution = Federal index to determine relative ability to pay – reported to you on the SAR

Eligibility: The amount the college may award in 'need-based' aid

Want to estimate rough eligibility now? – <https://bigfuture.collegeboard.org/pay-for-college/tools-calculators>

Select: Estimated Family Contribution (EFC) – Follow instructions.

Careful! Calculator may not be current – only the FAFSA will calculate the actual EFC

Each college required to have a 'net price calculator' – value as a comparative tool between colleges

### MAJOR TYPES OF AID

#### Grants:

Federal Pell Grant: Up to \$5645 (2013-14)

State Cal Grant A and B:

Pays tuition at UC or CSU (but not local fees), \$9084 at private non-profit colleges, \$4000 at private for-profit colleges, plus \$1473 toward other expenses for lower-income students

Other public grants: Federal Supplemental Grant, State University Grant, UC Grant, Community

College Fee Waiver (for all needy students), EOP/S

New—The Middle-Class Scholarship for UC and CSU *See handout-The New Middle-Class Scholarship*

#### Scholarships:

College and University funds – grants and scholarships

Private organization scholarships

#### Work:

Federal Work Study, Other part-time jobs

#### Loans:

Subsidized Loans: Perkins or Stafford Direct Loans (Generally \$3500 maximum for 1<sup>st</sup> year)

Subsidized means you must show financial eligibility or need

No interest accrues while in school; income-contingent repayment

Unsubsidized Loans: Stafford Direct Loans (Generally \$2000 maximum for 1<sup>st</sup> year)  
Unsubsidized means you do not have to show need (although you may have need)  
Must pay interest while in school; income-contingent repayment  
Parent Loans for Undergraduate Students (PLUS): Must pass a credit check  
Generally higher maximum loans for parents than for students  
Private Loans and College Payment Plans  
Watch total debt and understand repayment!

## THE FINANCIAL AID OFFER

Selective colleges make an offer before the May 1<sup>st</sup> decision deadline – usually electronic  
Ask questions if you don't understand – that's IMPORTANT.

And please...read the whole packet before you ask questions.

To compare offers:

Start with the full standard budget (COA) for 9 months. Add additional expenses unique to your family.

Subtract all grant and scholarship assistance.

The cost not met by grant or free money is your net cost. Compare that cost across colleges.

*See handout: The Net Cost = The True Cost of College*

HELP! The offer is not enough or contains too much loan. Can you negotiate the offer of financial aid?

## SPECIAL CIRCUMSTANCES

Job loss, income changes, special expenses? Other unique circumstances? Talk to the FAO immediately.

*See Handout: Reporting Special Circumstances.*

## PAYMENT EXPECTATIONS

The date and amount of payments will differ for each college.

You do not owe the "Estimated Family Contribution".

You will owe the direct expenses (tuition, dorms?) not met by grant or loan for each term.

You will cover indirect expenses (books, transportation?) with leftover funds and family contribution.

## COST SAVINGS – OTHER RESOURCES

Military benefits - [www.gibill.va.gov](http://www.gibill.va.gov) for information on GI college benefits

Sacramento County Veterans' Service Officer: 916-874-6811

Athletic funds – [www.ncaa.org](http://www.ncaa.org)

Public service with possible college benefits – [www.americorps.gov](http://www.americorps.gov)

Tax benefits - Publication 970 on education-tax issues: [www.irs.gov/publications/p970](http://www.irs.gov/publications/p970)

Community College transfer

Be CAUTIOUS about private career colleges --- excess debt and phony promises are possible

Check for comparable programs at the local community college; check Cal Grant status

## FINANCIAL AID SURVIVAL

*See Handout: Student Financial Aid Checklist – Class of '14*

Read and surf the web:

[www.finaid.org](http://www.finaid.org) (wealth of information on financial aid, many topics)

[www.finaid.org/loans/ChoosingStudentorParentLoans.pdf](http://www.finaid.org/loans/ChoosingStudentorParentLoans.pdf) (great guide for student loans)

[www.collegeboard.com/parents](http://www.collegeboard.com/parents) (more than just the PROFILE)

[www.icanaffordcollege.com](http://www.icanaffordcollege.com) (California Community Colleges)

[www.universityofcalifornia.edu/admissions/paying.html](http://www.universityofcalifornia.edu/admissions/paying.html) (University of California)

[www.csumentor.org](http://www.csumentor.org) (California State University)

[www.californiacolleges.edu](http://www.californiacolleges.edu) (Information on all California colleges)

<http://studentaid.ed.gov> (federal information site)

<http://nces.ed.gov/collegenavigator> (GREAT government site: Compare colleges!)

Read the financial aid section of the website for every college under consideration

Be assertive, but nice; ask questions; stay organized

Talk about money and family expectations

Make friends with the Financial Aid Office