

* Financial Aid 101: Planning for your Child's Educational Expenses

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*Goals for Tonight

- What are basic financial aid terms?
- What forms are involved?
- What is financial aid?
- How does the financial aid process work?
- What is “need-based” financial aid?
- How can I avoid errors?
- What kind of financing options are available?

*Common Financial Aid Terms

◉.FAFSA

◉.FSA ID

◉.SAR

◉.EFC

◉.MPN

◉.SAP

.SEOG

.Subsidized

.Unsubsidized

.PLUS

.TAP

.DRT

*What Forms Do I Need?

FAFSA

- All schools use
- Household income
- Household assets
- Federal aid eligibility

CSS Profile

- Additional form
- Similar info as FAFSA (and much, much more)
- Institution aid eligibility

NYS TAP

- In-state only
- SUNY, CUNY, privates
- Directly from FAFSA (ideal)

* What is Financial Aid?

* Scholarships (“gift”)

- * Money that does not have to be paid back, awarded on the basis of merit or skill (no FAFSA required).

* Grants (“gift”)

- * Money that does not have to be paid back, awarded on the basis of financial need.

* Loans (“self-help”)

- * Money students and parents borrow to help pay educational expenses.

* Employment (“self-help”)

- * Money students earn to help pay educational costs.

* **Sources of Money for College**

- * **Federal Government** (Pell Grant, Direct Loans, Work-study)
- * **State Government** (TAP)
- * **Colleges & Universities** (scholarships and grants)
- * **Private organizations** (scholarships)

* Cost of Attendance

Tuition and Fees

+Room and Board

Total Direct Charges

Books and Supplies

+Transportation and Personal

Estimated Personal Expenses

* Expected Family Contribution

⊙ The formula used to calculate the Expected Family Contribution is determined by law and includes, among many other data items, the following components:

- Parent's prior-prior year income**
- Student's prior-prior year income**
- Current value of parents' assets
- Current value of student's assets
- The number of household members
- The number of household members (excluding parents) attending college at least half time
- The age of the older parent

* Basic Financial Aid Formula

\$ Cost of Attendance

- \$ Family Contribution

\$ Financial Need

For Financial Aid Eligibility:

- * Family contribution is a constant
- * Cost of education is variable

* Family Contribution the Same

	State College	Community College	Private College
⊙ Cost	\$30,000	\$20,000	\$50,000
⊙ EFC	-10,000	- 10,000	-10,000
	_____	_____	_____
⊙ Need	\$20,000	\$ 10,000	\$40,000

* FAFSA on the Web

🎯 Web site: www.fafsa.gov

🎯 File FAFSA and TAP applications every year (October 1)

🎯 *Beware: two years are “live” at the same time*

The screenshot shows the FAFSA 'Apply for Aid' website. At the top, there is a breadcrumb trail: 'Home » FAFSA®: Apply for Aid'. The main heading is 'FAFSA®: Apply for Aid'. Below this, a subheading reads: 'Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or grad school.' There are two main paths: 'NEW TO THE FAFSA® PROCESS?' and 'RETURNING USER?'. The 'NEW TO THE FAFSA® PROCESS?' path includes the text 'Completing the FAFSA form is free. Fill it out now.' and a blue button labeled 'START HERE >'. The 'RETURNING USER?' path includes the text 'Correct info • Add a school' and 'View your *Student Aid Report* (SAR)' and a blue button labeled 'LOG IN >'. Below these paths is a section titled 'FAFSA® Announcements' with two bullet points: 'Last Call For Corrections! Any 2018–19 FAFSA corrections must be submitted by 11:59 p.m. Central time, Sept. 14, 2019.' and 'Customers who are using an Apple device (mobile and/or desktop) may encounter errors on some FAFSA fields if the “smart punctuation” feature is enabled. This feature changes apostrophes and quotation marks to invalid characters that the FAFSA form cannot recognize. Learn about solutions for this error.'

Home » FAFSA®: Apply for Aid

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FAFSA® Announcements

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*When do I apply?

Year in high school as of 2019-2020	When attending college?	When FAFSA can be done	Income tax Information used
Senior	2020-2021	October 1, 2019	2018
Junior	2021-2022	October 1, 2020	2019
Sophomore	2022-2023	October 1, 2021	2020
	2023-2024	October 1, 2022	2021
	2024-2025	October 1, 2023	2022
	2025-2026	October 1, 2024	2023

* FSA ID

- Sign FAFSA electronically
- Not required, but speeds processing
- Will be used by students and parents throughout aid process, including subsequent school years
- Write it down 😊

The screenshot shows a web browser window with the URL <https://fsaid.ed.gov/npas/index.htm>. The page header includes the "Federal Student Aid" logo, the text "An OFFICE of the U.S. DEPARTMENT of EDUCATION", and a "PROUD SPONSOR of the AMERICAN MIND" logo. The main heading is "Create a New FSA ID". Below this, a paragraph states: "An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature." Another paragraph explains: "Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member. Misrepresentation of your identity to the federal government could result in criminal or civil penalties." A third paragraph says: "To create your own personal FSA ID, enter answers for the questions below and select CONTINUE." An important note follows: "Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires." At the bottom, there are two tabs: "Create An FSA ID" (selected) and "Edit My FSA ID". The "Create An FSA ID" tab contains a form with the following fields: "E-mail", "Confirm E-mail", "Username", "Password", and "Confirm Password". Each field has a small question mark icon to its right. Below the "Password" field, there are checkboxes for "Numbers", "Uppercase Letters", "Lowercase Letters", "Special Characters", and "8-30 Characters", along with a "Show Test" button. To the right of the form, there are links for "Edit My FSA ID" and "Frequently Asked Questions". At the very bottom, there is a radio button option: "I am 13 years of age or older."

* Merit Scholarships

- * Offered by colleges and universities; separate from need-based grants
- * Amounts vary— compare to direct charges
- * Ask about:
 - Selection criteria
 - Application process
 - Renewal terms and conditions

* Special Circumstances

- * ➤ Cannot report on FAFSA – just a processor
- * ➤ Send explanation to financial aid office at each college
- * ➤ College will review and may request additional documentation

- * ➤ Examples:
 - Loss of job/significant change in family income
 - Care of elderly parent
 - Change in employment status
 - Private school tuition for dependent student
 - Daycare or unusual dependent care expenses
 - Medical/dental expenses not covered by insurance
 - Change in parents' marital status after FAFSA is filed

* Common Errors

- * Incorrect social security number, name, and/or date of birth

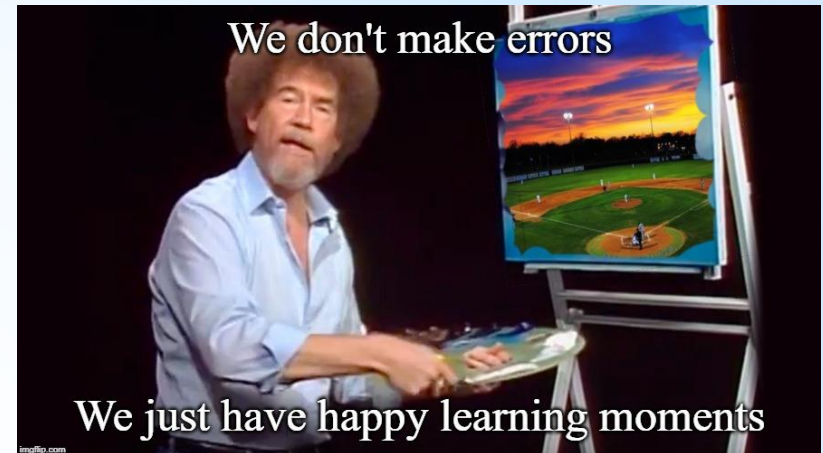
 - * These three items are CRITICAL to proper FAFSA processing

- * Parents' marital status

 - * Who is my parent?

- * Leaving items blank

 - * Enter zero



- * Entering commas or decimal points

 - * Use nearest whole dollar (ex. \$10000, not \$9999.75)

- * Use Gmail, Yahoo, Hotmail email address (students)

 - * If you use your high school address, you will lose access after you graduate

* IRS Data Retrieval Tool

- * Imports appropriate tax-year info directly into FAFSA for students and parents
- * Reduces data entry errors
- * Reduces additional paperwork submitted to financial aid offices
- * Taxpayer info **MUST MATCH** original tax return
 - * For example, if you live on Main Street and you abbreviated it Main St., you must enter Main St. when you are using the DRT

* College Financing Options

- * Federal Direct Parent Loan (PLUS Loan)
- * Unsubsidized Direct Student Loan
- * Payment Plans
- * IRS 529 Plans
- * Cooperative Education
- * Military resources
- * Outside scholarships
- * Summer employment

* Aid Information on the Web

Nazareth Financial Aid Office

① <https://www2.naz.edu/tuition-aid/>

① New York State

① <https://www.hesc.ny.gov/>

① FinAid! The SmartStudent Guide to Financial Aid

① www.finaid.org

① Rochester Community Foundation

① <https://www.racf.org/Scholarships/How-to-Apply-or-Renew>

① Department of Education - FAFSA on the Web

① www.fafsa.gov

* Need FAFSA Help?

* FAFSA Fests in the Rochester area

* <http://rochestercan.org/fafsa-fest/cash-for-college.html>

*Contact Information

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