



Financial Aid



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Topics We Will Discuss



- ❧ What is financial aid?
- ❧ FAFSA & CSS Profile
- ❧ Cost of attendance (COA)
- ❧ Student aid index (SAI)
- ❧ Financial need
- ❧ Categories, types, and sources of financial aid
- ❧ Free Application for Federal Student Aid (FAFSA®)
- ❧ Special and unusual circumstances

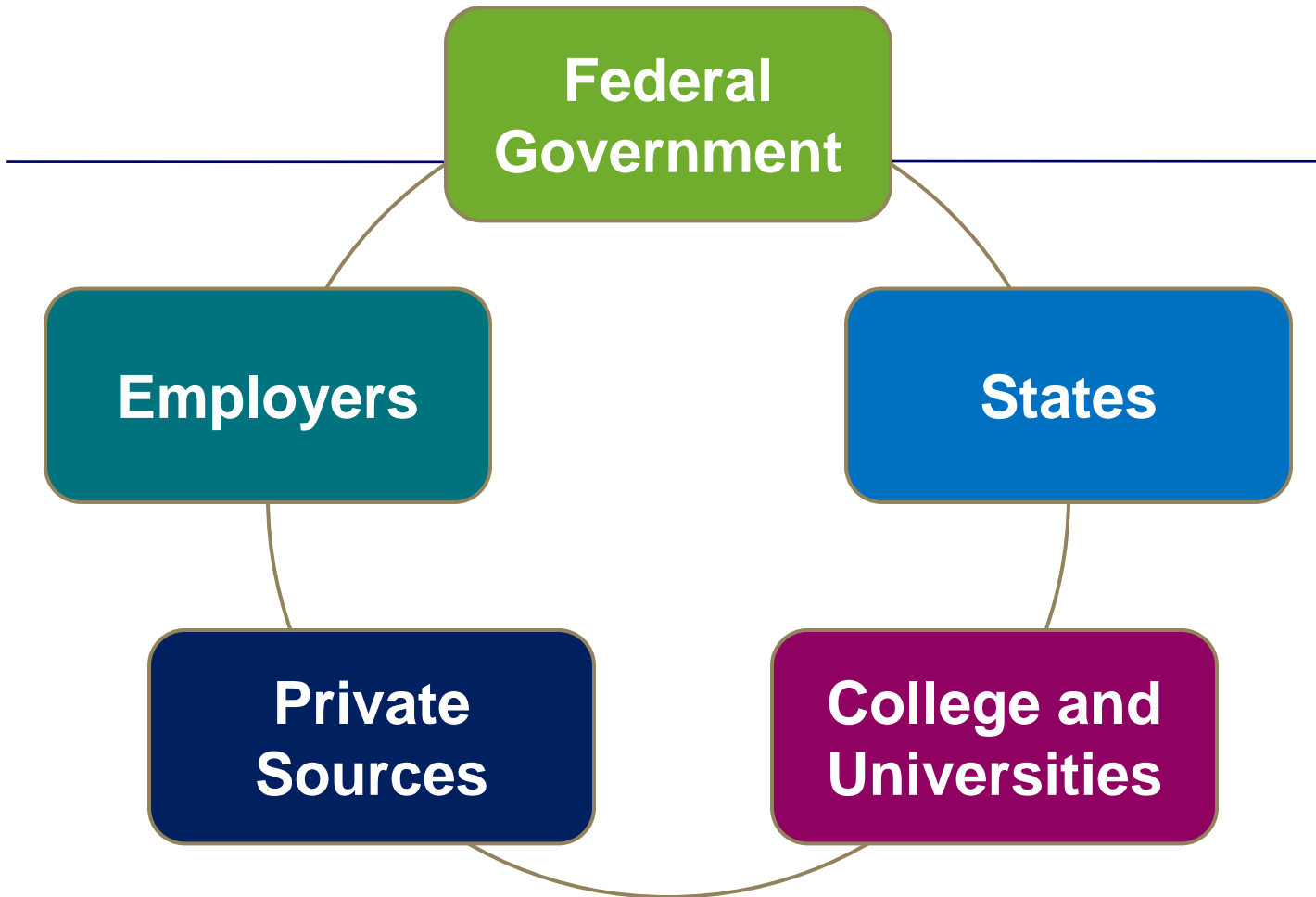


What is Financial Aid?



Financial aid consists of funds provided to students and families to help pay for postsecondary educational expenses.

Sources of Financial Aid





How to Apply for Financial Assistance



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FSA ID



- ☞ An FSA ID gives you access to Federal Student Aid's online systems and serve as your legal signature.
- ☞ Both the student **AND** parents need to create one.
- ☞ Will be used throughout the aid process, including **subsequent years.**

☞ <http://studentaid.gov/>

*In most cases both parents need an FSA ID



The screenshot shows the Federal Student Aid website interface. At the top left is the logo for Federal Student Aid, an office of the U.S. Department of Education. To the right of the logo are navigation links: FAFSA® Form (with a dropdown arrow), Loans and Grants (with a dropdown arrow), Loan Repayment (with a dropdown arrow), Loan Forgiveness (with a dropdown arrow), Log In | Create Account, and a search icon. A dropdown menu is open under the FAFSA® Form link, with the first item, "Complete the FAFSA® Form", circled in green. Other items in the dropdown include "Learn About the FAFSA® Form", "How to Fill Out the FAFSA® Form", "FAFSA® Deadlines", "How to Renew Your FAFSA® Form", "Reviewing and Correcting Your FAFSA® Form", and "View Your Student Aid Report (SAR)". Below the navigation is a dark blue banner with an illustration of diverse students. Text on the banner includes "Sign a Master Promissory Note", "Complete Entrance or Exit Counseling", "Compare Repayment Plans with Loan Simulator", and "Create Account". At the bottom of the banner are four white boxes with dark blue backgrounds, each representing a user role: "Considering School" (I'm thinking about going to college or a career school.), "In School" (I'm in the process of earning a degree or certificate.), "Parent" (I want to help my child pay for college.), and "In Repayment" (I have loans I need to repay.).

Online FAFSA

The screenshot shows the Federal Student Aid website. At the top, there is a navigation bar with links for 'Help Center', 'Submit a Complaint', and 'English | Español'. Below this is the 'Federal Student Aid' logo and a menu with options: 'FAFSA® Form', 'Loans and Grants', 'Loan Repayment', and 'Loan Forgiveness'. A search icon is also present.

The main content area features a large blue graphic with the text 'FAFSA form' and illustrations of students. To the left of this graphic, there is a white box with the heading 'A Better 2024-25 FAFSA® Form' and text stating: 'The 2024-25 FAFSA form is now available. We've started sending submitted applications to colleges and states. [Learn more about 2024-25 FAFSA updates.](#)'

Below this box, there is a section for '2024-25 FAFSA® Form' with two buttons: 'Start New Form' and 'Access Existing Form'. A link below these buttons says: 'Need to access last year's form? [Edit a 2023-24 FAFSA Form](#)'.

Further down, there is a section titled 'Check FAFSA® Deadlines for the State You Live In'. It includes two dropdown menus for 'School Year' and 'State of Residence', a 'Find Deadlines' button, and a link to 'View All FAFSA Deadlines'. A note below states: 'Missing a state deadline does not impact your eligibility for federal student aid, so fill out your FAFSA form even if your state deadline has passed.'

At the bottom, there are three informational cards:

- Who should complete the FAFSA® form?**
Any student, regardless of income, who wants to be considered for federal, state, and school financial aid programs. This includes grants, scholarships, work-study funds, and loans.
- How long will it take?**
It takes most people less than one hour to fill out the FAFSA form, including gathering any personal documents and financial information needed to complete it.
- What do I need?**
 - Verified account username and password (FSA ID)
 - Parent or spouse contributor name, date of birth, Social Security number, and email address
 - Income and asset information (if required)



Free Application for Federal Student Aid (FAFSA)

- ❧ Filed starting December 1* of the year prior to enrolling
 - ❧ Typically will open October 1
- ❧ MUST be filled to receive federal aid
 - ❧ Required for some state and institutional as well
- ❧ A standard federal form that collects demographic and financial information about student and family
- ❧ May be filed at any time during an academic year, but no earlier than the October 1st prior to the academic year for which the student requests aid



Free Application for Federal Student Aid (FAFSA)



- Student & parent complete separate workflows
- No "single view" of the application
- Multi-factor verification




FAFSA Contributors

FAFSA[®] FORM 2024-25 Student Raya Tran

Understanding the FAFSA[®] Form


2 of 4

Contributors to the FAFSA[®] Form



Parents or Spouses

Your answers on the FAFSA form will determine if any contributors need to be identified. These contributors will complete their own sections of the form and are asked to provide personal and financial information, but will not become financially responsible for your education.



How to Invite

Contributors will need to log in with their own FSA ID to provide their information. To invite a contributor to your FAFSA form, you'll need to provide their name, date of birth, Social Security number, and email address.

Information or Documents You May Need ^

You might need the following information or documents as you fill out the FAFSA form:

- Tax returns
- Records of child support received
- Current balances of cash, savings, and checking accounts
- Net worth of investments, businesses, and farms

Note: Screenshot from U.S. Department of Education's 2024-25 FAFSA Form Preview Presentation, July 2023

Previous Continue



FAFSA Info



- ❧ Generates the Student Aid Index (SAI)
 - ❧ Makes it easier for families to estimate aid eligibility

- ❧ All income tax data will automatically be transferred from the IRS
 - ❧ All parties must authorize the transfer of information
 - ❧ Dependent students must invite their parent(s) to contribute to their form if parent information is required



FAFSA FAQs



☞ Divorced/Separated Parents

☞ The parent that supplied more financial support for the student will be the parent of record

☞ You will not be able to make adjustments to the transferred data

☞ Having more than one child in college will not be reflected in the SAI



CSS Profile



- ❧ CollegeBoard Financial reporting
- ❧ Used to determine institutional aid eligibility
- ❧ Includes private assets in EFC calculation
- ❧ Fee for initial application and one college report is \$25.
 - ❧ Additional reports are \$16.
 - ❧ Waiver for families AGI < \$100k or SAT Waiver
- ❧ Used by approx. 400 colleges and scholarship programs
 - ❧ Only 3 in MD



How is all of this information used?



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What is the Student Aid Index (SAI)?



- ☞ Calculated by formula in FAFSA
- ☞ Stays the same regardless of college
- ☞ The SAI is an eligibility index number that a college's financial aid office uses to determine how much aid a student is eligible for.



How is the SAI Determined?



- ❧ SAI Calculation uses fewer income fields
 - ❧ Tax Info (AGI)
 - ❧ This will be automatically pulled from the IRS database.
 - ❧ Tax-exempt Interest
 - ❧ Untaxed portions of IRA distributions and pensions (excluding rollovers)
 - ❧ 529 plans
 - ❧ Only for the student filing the FAFSA



How do schools use this data?



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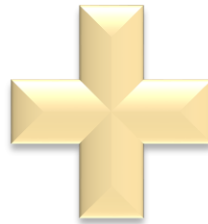
What is Cost of Attendance (COA)?

Direct costs

- Tuition
- Fees
- Housing
- Meals

Indirect costs

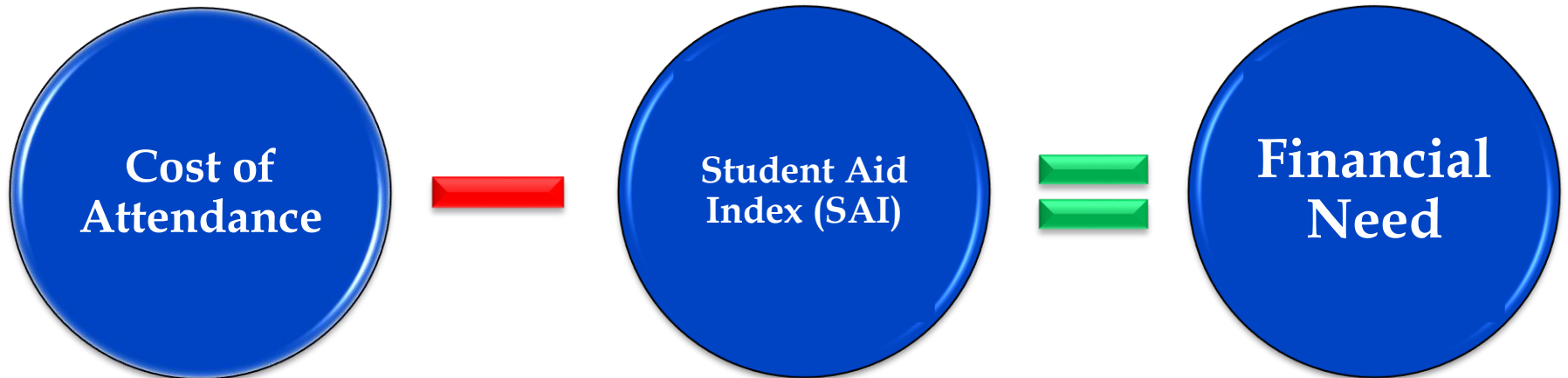
- Books & Supplies
- Transportation
- Personal Expenses
- Loan Fees



Cost of Attendance



What is Financial Need?

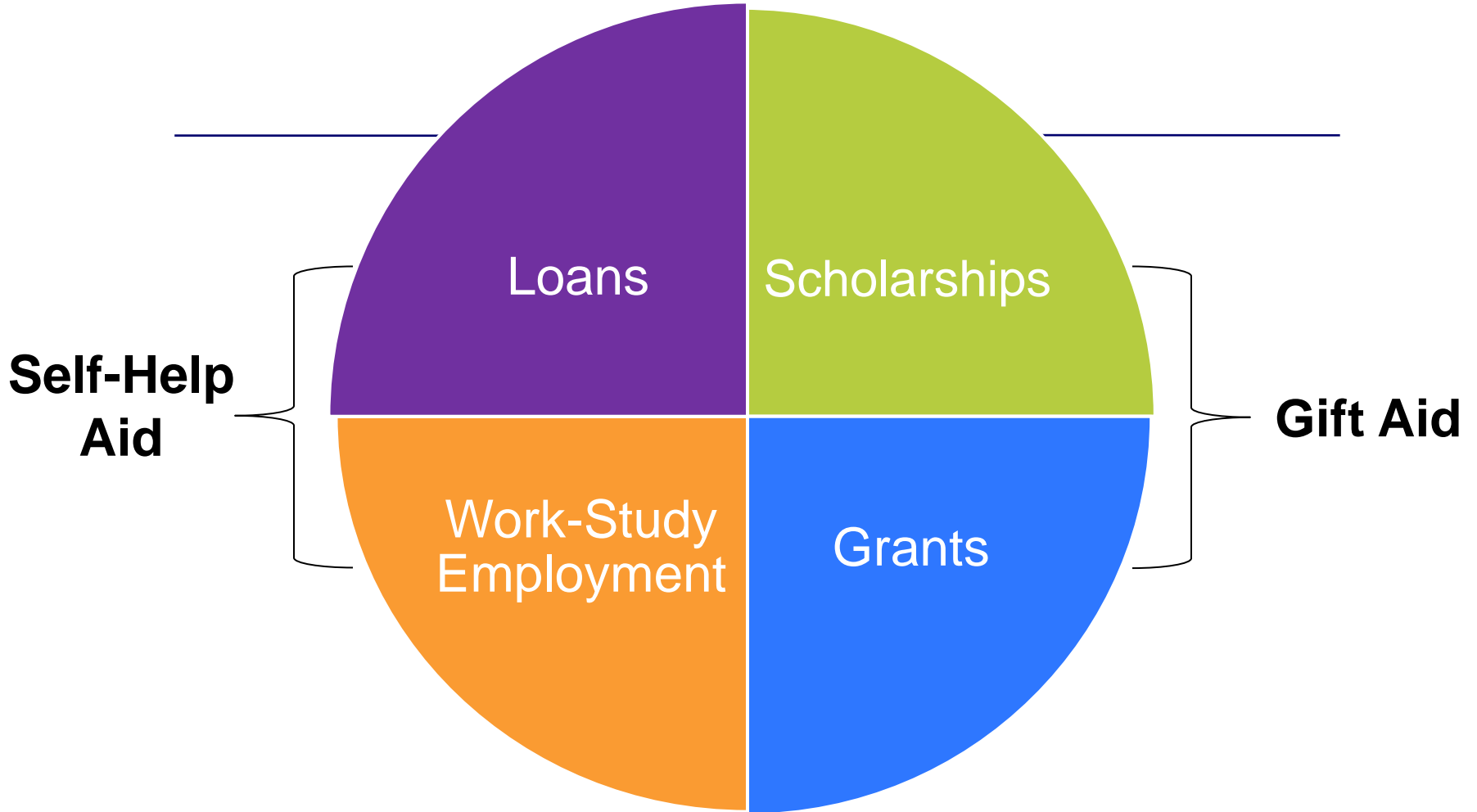




Categories of Aid



Types of Aid



Main Sources of Aid



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Institutional Funding



☞ Scholarships

- ☞ Awarded for student achievement regardless of financial need
- ☞ Universities will have separate scholarship applications for the different colleges

☞ Grants

- ☞ Need based funds offered to assist in covering CoA

State Funding



- ❧ An only be used for MD schools
- ❧ Aid is awarded on the basis of both merit and need
- ❧ FAFSA is required for some
 - ❧ **Priority Deadline March 1, 2025.**
- ❧ For MD funding check Maryland Higher Education Commission (MHEC) www.mhec.state.md.us
 - ❧ Legislative Scholarships
www.mdelect.net



Federal Funding



Grants

TEACH

Future teachers, specific requirements

PELL

Low Income

SEOG

Low Income

Work-Study Programs

Work on off campus

Loan Programs



Outside Scholarships



☞ Scholarship search engines

☞ Fastweb

☞ Scholarships.com

☞ Cappex

☞ Scholly

☞ Niche

☞ Scholarship Monkey

☞ Scholarships are everywhere



Loan Types



- ❧ Stafford Loans
 - ❧ Student Loans
 - ❧ Subsidized
 - ❧ Unsubsidized
 - ❧ PLUS Loans (Parent)

- ❧ Private Source Loans
 - ❧ Banks
 - ❧ Credit Unions
 - ❧ Private Loan Servicer

Subsidized VS. Unsubsidized



- ❧ Direct Subsidized Loans are available to undergraduate students **with financial need.**
- ❧ Your school determines the amount you can borrow, and the amount may not exceed your financial need.
- ❧ The U.S. Department of Education pays the interest on a Direct Subsidized Loan
 - ❧ while you're in school at least half-time,
 - ❧ for the first six months after you leave school
 - ❧ during a period of *deferment*
- ❧ Direct Unsubsidized Loans are available to undergraduate and graduate students.
- ❧ Your school determines the amount you can borrow based on your cost of attendance.
- ❧ You are responsible for paying the interest on a Direct Unsubsidized Loan during all periods.
 - ❧ If you choose not to pay the interest while you are in school and during grace periods, **your interest will accrue and be capitalized**



What else...



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Special Circumstances



- ❧ Conditions exist that cannot be documented with the FAFSA
- ❧ Send written explanation and documentation to your college's financial aid office
- ❧ College will review and request additional information if necessary
- ❧ Colleges are now required to accept appeals



Unusual uncovered
medical/dental
expenses

Secondary
school tuition

Extraordinary
dependent care

Parent or
spouse
death

Loss of
employment

Divorce





Financial Aid Packages



Financial Aid Packages
after admission notification

SMCM **

Early Decision

Mid December

Early Action Applicants

Mid December

Regular Decision

Early March

Will include (if eligible)

Federal Grants

State Grants

Institutional Need Based
Grants

Institutional
Scholarships

Federal Loan options



Tools You Can use



🌀 Federal Student Aid

🌀 <https://studentaid.gov>

🌀 [Federal Student Aid Estimator](#)

🌀 Help to get an idea of SAI/Need

🌀 "College Cost Worksheet"

🌀 [Who counts as a parent on the FAFSA® form?](#)


🌀 [Pro Tips for Completing the FAFSA Form](#)

🌀 [Federal Student Aid YouTube Channel: FAFSA Videos](#)

🌀 ["Creating Your StudentAid.gov Account" Page](#)



Tools You Can use

  Sallie Mae FAFSA Guide
 <https://www.salliemae.com/college-planning/financial-aid/fafsa/fafsa-guide/>

 Net Price Calculators (NPC)

 Every Title IV school is required to have one

UNDERSTANDING COST VS. NET COST & VALUE



COST

A college's published price (tuition & fees, room & board, etc.)



GIFT AID

Scholarship & Grant money that you don't have to pay back



NET COST

What you actually pay (typically with loans, savings & income)



VALUE



RETURN ON INVESTMENT:

*WHAT IS **GAINED** THROUGH YOUR **EDUCATION**, COMPARED TO THE **NET COST** YOU PAY.*



Questions?



Contact Info:
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osfa@smcm.edu

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