



Financing A College Education

2018-2019

Financial Aid, Scholarships,
and more

Topics for Tonight

- Goal of Financial Aid
- FAFSA
- Description of Financial Aid Programs
- Timelines
- Payment options
- Other Benefits to Consider
- Resources



Goal of Financial Aid

- Goal of Financial Aid: Assist students by evaluating family's ability to pay for education, distribute limited resources in an equitable manner for an academic year.
- FAFSA 2018-2019 (Free Application For Federal Student Aid) is the key.
- Available online at www.fafsa.gov after **October 1, 2017** – apply annually
- FAFSA calculates EFC (Expected Family Contribution) and determines financial need



Definition of Need

Cost of Attendance (COA)

- Expected Family Contribution (EFC)

= Financial Need/Eligibility

- * College Net Price Calculator on college website OR
- * Estimated EFC calculator at www.ohe.state.mn.us
or www.fafsa4caster.ed.gov



Cost Of Attendance

- Tuition and Fees
- Room and Board
- Books and Supplies
- Transportation and miscellaneous personal expenses/computer, etc.
- Loan Fees
- Study Abroad Costs



FAFSA: Seven Components

1. Student Demographic Information

- * Need SSN, Drivers License, 2016 taxes, real time asset information
- * Males register with Selective Service

2. School Selection

- * List up to 10 different schools



FAFSA: Continued...

3. **Dependency Status**

- Born before Jan 1, 1995
- Graduate or professional student
- Married/Separated (student)
- Has legal dependents other than spouse that receive more than 50% financial support from student
- Orphan/ward of the court/emancipated minor/legal guardianship/homeless
- Veteran of or currently serving on active duty in US Armed Forces
- Determined to be independent by FA office

FAFSA: Continued...

4. Parent Information

- Parent(s) name, DOB, SSN
- Marital Status
 - Married – If biological/adoptive parents married, report information for both parents on FAFSA
 - Unmarried, but living together - If biological/adoptive parents are not married, but living together, regardless of gender, report information for both parents on FAFSA
 - Divorced/Separated – If biological/adoptive parents are divorced/separated, provide information for parent:
 - Student lived with the most in last 12 months
 - Or, if lived equal periods with each parent, parent who provided the most financial support in last year or most recent year support provided
- *If parent remarried, include stepparent information.
- Number in family/college



FAFSA: Continued...

5. Financial Information

- Use parent & student 2016 taxes and real time asset information
- IRS Data Retrieval Tool – real time tax information transfer to FAFSA from IRS
 - Optional, but recommended
 - Increased security/confidentiality, encrypted tax information
 - Able to manually enter IRS rollovers/pension distributions to remove from calculation
- Assets: student, parent

FAFSA Continued

Investments

Must report:

529 College savings plans

Trust Funds

Money markets

CD's

Real Estate (lake home, rental property, etc.)

Mutual Funds

UGMA/UTMA accounts

Stocks & Stock Options

Coverdell savings accounts

Do not report:

Home you live in

Retirement plans

Business you own with 100 or less FT employees

Value of life insurance

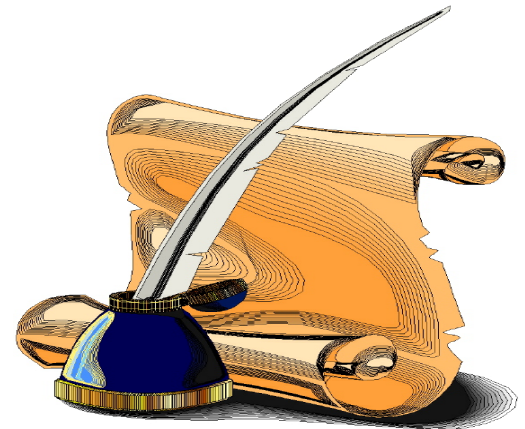
Family Farm



FAFSA: Continued . . .

6. Sign & Submit

- Apply for FSA ID (create username and password)
- www.fsaaid.ed.gov (today)
- Need a FSA ID for a parent **AND** for the student
- FSA ID is used for:
 - signing FAFSA
 - make FAFSA corrections
 - signing federal loans
 - look up student loan history



FAFSA: Continued . . .

7. Confirmation

- Student Aid Report (SAR) review/make corrections. Available at www.fafsa.gov
- Verification selection
- Renew FAFSA each year
- Special Circumstances
 - employment changes/loss of job
 - medical expenses
 - parent enrolled in college, etc.

Example Student Aid Report

Processed Information

Federal Student Aid FAFSA

Form Approved
OMB No. 1845-0047
App. Exp. 10/31/2012

2012-2013 Electronic Student Aid Report (SAR)

The SAR summarizes the information you submitted on your 2012-2013 Free Application for Federal Student Aid (FAFSA).

Application Receipt Date:	01/11/2012	XXXX-XX-1234 JO 01
Processed Date:	01/11/2012	EFC: 7256 DRN: 4557

Comments About Your Information

Based on the information we have on record for you, your EFC is 7256. You may be eligible to receive a Federal Pell Grant and other federal student aid. Your school will use your EFC to determine your financial aid eligibility for federal grants, loans, and work study, and possible funding from your state and school.

WHAT YOU MUST DO NOW (Use the checklist below to make sure that all of your issues are resolved.)

If you have now completed your 2011 tax return, you should correct your information to reflect the income and tax information reported on your tax return. Click "Make FAFSA Corrections" on the "My FAFSA" page to make the correction. You may be able to retrieve your tax return information directly from the IRS. If you have not yet completed your tax return, you must correct this SAR to reflect the income and tax information reported on your tax return once it is filed.

If you need to make corrections to your information, click "Make FAFSA Corrections" on the "My FAFSA" page. You must use your Federal Student Aid PIN to access your record online. If you need additional help with your SAR, contact your school's financial aid office or the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243). If your mailing address or e-mail address changes, you can make the correction online or call 1-800-4-FED-AID and ask a customer service representative to make the change for you.

FAFSA Data

Assumed fields, based on the data you entered, are marked with an "*" (asterisk) sign.

1. Student's Last Name:	JOHNSON
2. Student's First Name:	ANNA
3. Student's Middle Initial:	M
4. Student's Permanent Mailing Address:	123 HOMETOWN STREET
5. Student's Permanent City:	ANYTOWN

What is Financial Aid?

Gift Aid

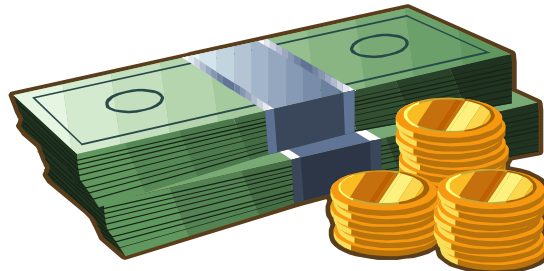
Grants (need-based)

Scholarships (merit)

Self-Help Aid

Loans

Employment
Opportunities



Gift Aid

- Grants

- Institutional/College

- State

- **Minnesota State Grant:** \$100 - \$11,811*
 - More MN grants/scholarships at www.ohe.state.mn.us

- Federal

- **PELL Grant:** max award = \$5920*
 - **SEOG:** awards range between \$100 - \$4000*
 - **Iraq & Afghanistan Service Grant** : not to exceed COA
 - **TEACH Grant:** \$4000* for students majoring in education, designated areas of teaching, turn into loan if do not teach after college.

*Based on 2017-2018 award amounts.



Gift Aid

- Scholarships
 - Institutional/College Scholarships
 - School/Local/Civic/Community Scholarships
 - National Scholarships
 - Search the Web ~ www.Fastweb.com
 - Parent/Student place of employment

*Deadlines - winter/spring of senior year



Scams

- Never pay for scholarship or scholarship applications
- Fin Aid Seminars/Consultants: must sign fafsa
- **DO NOT USE!!!** www.fafsa.com OR fafsa-application.com
**Never pay to complete the FAFSA, it's free!
- Contact a financial aid or guidance office for advice if you're uncertain.
- <http://studentaid.ed.gov/types/scams>



Self-Help Aid

- Loans
 - Federal Direct Loan Program:
 - * subsidized: 4.45%, no interest accrual
 - * unsubsidized: 4.45%, accrues interest
 - \$5500 sub & unsub combination (first-year)
 - SELF Loan: 3.4% variable int or 6.9% fixed
 - Alternative/Private Loan: 2.3% - 12%, variable & fixed options available, credit-based
 - Federal Direct PLUS Loan: 7% fixed rate, credit-based

Self-Help Aid

- Student Employment/Work Study
 - Funding Sources
 - Federal
 - State
 - Institution
 - Guaranteed?
 - On versus Off Campus



Time Line

- * Apply and be admitted to colleges/universities - NOW
- * Research and apply for scholarships - NOW
- * Complete your FAFSA after October 1, 2017
(*** Use the IRS DRT to transfer your 2016 tax information)
- * FAFSA processing will take about 2 days then able to review SAR and results available to schools you listed with in 10-14 days.
- Check with each school to determine financial aid deadlines and if additional forms are needed for a complete financial aid file.
- * Compare Award Offers – “apples to apples”



Payment Plans

- Installment plans
- Semester plan
- Others ~ check with schools to which you are applying.



Other Benefits to Consider

- American Opportunity Tax Credit
- Lifetime Learning Tax Credit
- Student Loan Interest Deduction
- Employer-Paid Tuition Assistance
- Military Service Education Benefits www.ohe.state.mn.us
- Tuition Reciprocity www.ohe.state.mn.us
- Midwest Student Exchange Program
 - (IL, IN, KS, MI, MO, NE) www.ohe.state.mn.us

*** Always check with your tax preparer!*

Popular Web Sites

- www.fafsa.gov FAFSA
- www.fsaid.ed.gov FSA ID website
- www.fafsa4caster.ed.gov Financial Aid Estimator
- www.studentaid.ed.gov US Dept of Ed Financial Aid Info
- www.ohe.state.mn.us State of Minnesota/Scholarships/VA
- www.fastweb.com Scholarship Search
- www.finaid.org Financial Aid Info/Scholarships
- www.collegeboard.org PROFILE application & Scholarships

Questions?

- How to contact me:

Cheryl Dooley

Associate Director Financial Aid

Hamline University

cdooley@hamline.edu

651-523-3000 or 1-800-888-2182