

# **Applying for Financial Aid 2018-19**

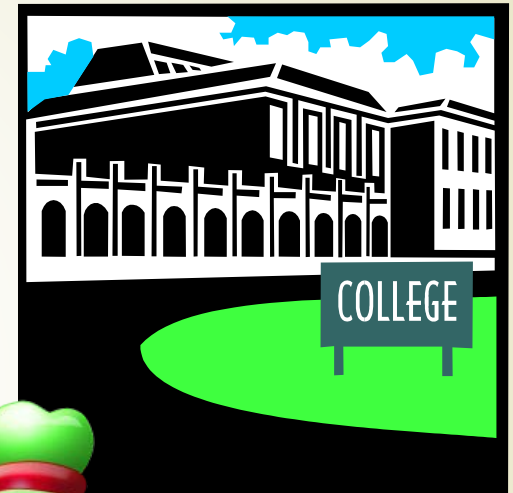
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# Topics We Will Discuss Tonight

- ▶ What is financial aid?
- ▶ Cost of attendance (COA)
- ▶ Expected family contribution (EFC)
- ▶ Financial need
- ▶ Categories, types, and sources of financial aid
- ▶ Free Application for Federal Student Aid (FAFSA®)
- ▶ CSS Profile
- ▶ Special circumstances

# What is Financial Aid?

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



# What is Cost of Attendance (COA)?

- ▶ Direct costs
- ▶ Indirect costs
- ▶ Direct and indirect costs combined into cost of attendance
- ▶ Varies widely from college to college

# What is Financial Need?

Cost of Attendance

– Expected Family Contribution

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= Financial Need

# What is Expected Family Contribution (EFC)?

- ▶ Amount family can reasonably be expected to contribute
- ▶ Stays the same regardless of college
- ▶ Two components
  - ▶ Parent contribution
  - ▶ Student contribution
- ▶ Calculated using data from a federal application form and a federal formula

# Categories of Financial Aid

- ▶ Need-based aid
- ▶ Non-need-based aid

# COA Comparison

## Cost of Attendance Comparison (based on 2016-17)

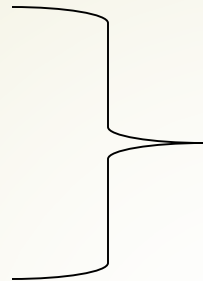
Commuter	CUNY	SUNY	Private
Tuition/Fees	6805	8060	49,062
Housing	4270	3860	2270
Books and Supplies	1364	1340	1070
Meals	1148	Included	Included
Transportation	1054	1890	1044
Personal Expenses	1800	1560	2000
Total COA	16,441	16,710	55,446
\$4800= Community College			
Living Away	CUNY	SUNY	Private
Tuition/Fees	6805	8060	49,062
Housing	10386	12,590	17,578
Books and Supplies	1364	1340	1070
Meals	2179	Included	Included
Transportation	1054	1080	2044
Personal Expenses	4248	1590	2000
Total COA	26,036	24,660	71,754



# Types of Financial Aid

➤ Scholarships

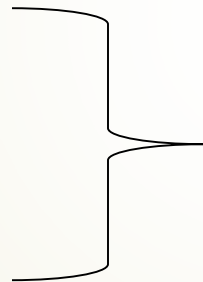
➤ Grants



Gift Aid

➤ Loans

➤ Employment



Self-Help Aid

# Sources of Financial Aid

- ▶ Federal government
- ▶ States
- ▶ Colleges and universities
- ▶ Private sources
- ▶ Civic organizations and churches
- ▶ Employers

# Colleges and Universities

- ▶ Award aid on the basis of both merit and need
- ▶ Aid may be gift aid or self-help aid
- ▶ Use information from the FAFSA and/or institutional applications
- ▶ Deadlines and application requirements vary by institution
  - ▶ Check with each college or university

# Private Sources

- ▶ Foundations, businesses, charitable organizations
- ▶ Deadlines and application procedures vary widely
- ▶ Begin researching private aid sources early



# CSS PROFILE

- ▶ Administered thru the College Board
- ▶ [www.collegeboard.com](http://www.collegeboard.com)
- ▶ Used at select private institutions and private scholarship programs to assess financial need for determining awards
- ▶ There is a charge: \$25 initial application, \$16 each additional school
- ▶ Fee waivers are available for first-time college applicants from low income families. Covers up to 6 records.
- ▶ NY schools: Fordham, Barnard, Columbia, Cornell, NYU, etcetera

# Gift Aid: Scholarships

- ▶ Money that does not have to be paid back
- ▶ Awarded on the basis of merit, skill, or unique characteristic

# Federal Government

- ▶ Largest source of financial aid
- ▶ Aid awarded primarily on the basis of financial need
- ▶ Must apply each year using the FAFSA

# Federal Student Aid Programs

- ▶ Federal Pell Grant
- ▶ Iraq and Afghanistan Service Grant (IASG)
- ▶ Teacher Education Assistance for College and Higher Education (TEACH) Grant
- ▶ Federal Supplemental Educational Opportunity Grant (FSEOG)
- ▶ Federal Work-Study (FWS)
- ▶ Federal Perkins Loans
- ▶ Subsidized and Unsubsidized Federal Direct Student Loans (Direct Loans)
- ▶ Federal PLUS Loans



# States

- ▶ Residency requirements usually apply
- ▶ Award aid on the basis of both merit and need
- ▶ Use information from the FAFSA and/or state aid applications
- ▶ Deadlines vary by state
  - ▶ Check PDF FAFSA or FAFSA on the Web website



# NYS Aid Programs: TAP Grant

- ▶ Cost \$0 to apply
- ▶ Can apply directly from FAFSA hyperlink to the TAP website
- ▶ Must reapply each year
- ▶ Must complete a FAFSA prior
- ▶ NY Residents attending Schools within NYS
- ▶ Award range: \$500- \$5000 per year



# NYS Scholarships

- ▶ Flight 587 Memorial
- ▶ Military Service Recognition
- ▶ NYS Excelsior Scholarship
- ▶ NYS Math & Science- Teaching Incentive
- ▶ NYS memorial for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and EMS Workers
- ▶ NYS For Academic Excellence



# NYS Excelsior Scholarship

- ▶ A recipient of an Excelsior Scholarship may receive up to \$5,500.
- ▶ To determine the award amount, the resident tuition rate charged by SUNY (currently \$6,470) or CUNY (currently \$6,330) will be reduced by the amount of certain other student financial aid awards which an applicant has or will receive for the academic year, including a NYS Tuition Assistance Program (TAP) award and/or federal Pell grant. The Excelsior Scholarship will cover any remaining tuition liability up to \$5,500; and a tuition credit will cover any remaining tuition expenses not covered by the Excelsior Scholarship.
- ▶ *\*Note: Any award payment received may have tax implications. Any questions regarding this should be directed to a tax professional, the Internal Revenue Service, or the NYS Department of Taxation and Finance.*



# Excelsior Scholarship

- ▶ A recipient of an Excelsior Scholarship is eligible to receive award payments for not more than two years of full-time undergraduate study in a program leading to an associate's degree or
- ▶ four years of full-time undergraduate study, or
- ▶ five years if the program of study normally requires five years, in a program leading to a bachelor's degree.



# Excelsior Scholarship Requirements


- ▶ be a resident of NYS and have resided in NYS for 12 continuous months prior to the beginning of the term;
- ▶ be a U.S. citizen or eligible non-citizen;
- ▶ have either graduated from high school in the United States, earned a high school equivalency diploma, or passed a federally approved "Ability to Benefit" test, as defined by the Commissioner of the State Education Department;
- ▶ have a combined federal adjusted gross income of \$100,000 or less;
- ▶ be pursuing an undergraduate degree at a SUNY or CUNY college, including community colleges and the statutory colleges at Cornell University and Alfred University;



# Excelsior Scholarship

- ▶ be enrolled in at least 12 credits per term and complete at least 30 credits each year (successively), applicable toward his or her degree program;
- ▶ if attended college prior to the 2017-18 academic year, have earned at least 30 credits each year (successively), applicable toward his or her degree program prior to applying for an Excelsior Scholarship;
- ▶ be in a non-default status on a student loan made under any NYS or federal education loan program or on the repayment of any NYS award;
- ▶ be in compliance with the terms of the service condition(s) imposed by a NYS award that you have previously received; and
- ▶ execute a Contract agreeing to reside in NYS for the length of time the award was received, and, if employed during such time, be employed in NYS.





# Special Programs: SEEK, CD and HEOP

- ▶ Legal resident of NYS for at least one year prior to entering college
- ▶ High school graduate or GED
- ▶ First-time freshman or previously enrolled in an HEOP or EOP program
- ▶ Gross family income that meets the New York State guidelines
- ▶ Inadmissible according to the freshman admissions criteria established for the CUNY senior college you want to attend (SEEK)
- ▶ Earned a College Admissions Average (CAA) of >80 % or a rank in the class at the 65th percentile or lower (CD)



# Gift Aid: Grants

- ▶ Money that does not have to be paid back
- ▶ Usually awarded on the basis of financial need

# Self-Help Aid: Loans

- ▶ Money students and parents borrow to help pay college expenses
- ▶ Repayment usually begins after education is finished
- ▶ Only borrow what is really needed
- ▶ Look at loans as an investment in the future

# Loans

Federal Direct Subsidized Loan	Federal Direct Unsubsidized Loan	Federal Direct PLUS Loan	Federal Direct PLUS Loan
No credit check	No credit check	Must be credit worthy	Must be credit worthy
Borrower responsible for repayment, no cosigner needed	Borrower responsible for repayment, no cosigner needed	Borrower responsible for repayment, no student responsibility	Borrower responsible for repayment; no cosigner needed if creditworthy. If cosigner needed, equal shared responsibility for repayment and debt
Loan limits	Loan limits	Loan limits	Limits vary by lender
Death/disability benefit	Death/disability benefit	Death/disability benefit	Death/disability benefit availability varies; contact lender
Deferment/ forbearance eligibility	Deferment/ forbearance eligibility	Deferment/ forbearance eligibility	Possible deferment/ forbearance eligibility
Can be consolidated with other federal loans	Can be consolidated with other federal loans	Can be consolidated with other federal loans	Consolidation not applicable
Interest is not charged to your loan until 6 months from the time you leave school or drop below half time in school status, or during periods of deferment	Interest is charged to your loan from the time the loan is disbursed to the school. You can make payments or capitalize interest until leaving school, subject to approval	Interest is charged to your loan from the time the loan is disbursed to the school	Interest is charged to your loan from the time the loan is disbursed to you



# Loan

- ▶ *Money students and parents borrow to help pay college expenses*
- ▶ *Repayment usually begins after education is finished*
- ▶ *Only borrow what is really needed*
- ▶ *Federal Stafford Loan*

# Self-Help Aid: Work-Study Employment

- ▶ Allows student to earn money to help pay educational costs
  - ▶ A paycheck; or
  - ▶ Nonmonetary compensation, such as room and board
- ▶ Student may opt whether or not to work or number of hours to work

# Civic Organizations and Churches

- ▶ Research what is available in community
- ▶ To what organizations and churches do student and family belong?
- ▶ Application process usually occurs during spring of senior year
- ▶ Small scholarships add up!

# Employers

- ▶ Companies may have scholarships available to the children of employees
- ▶ Companies may have educational benefits for their employees

# Free Application for Federal Student Aid (FAFSA)

- ▶ A standard form that collects demographic and financial information about the student and family
- ▶ May be filed electronically or using paper form
  - ▶ Available in English and Spanish



# FAFSA

- ▶ Information used to calculate the expected family contribution (EFC)
  - ▶ Amount of money a student and his or her family may reasonably be expected to contribute towards the cost of the student's education for an academic year
- ▶ Colleges use EFC to award financial aid



# FAFSA

- ▶ May be filed at any time during an academic year, but no earlier than October 1<sup>st</sup> prior to the academic year for which the student requests aid
- ▶ For the 2018–19 academic year, the FAFSA may be filed beginning October 1, 2017
- ▶ Most colleges set FAFSA filing deadlines



# FAFSA on the Web (FOTW)

**Federal Student Aid**  
An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of  
the AMERICAN MIND®

**FAFSA®**  
Free Application for Federal Student Aid

[Home](#) [Help](#) Welcome, mark [Logout](#)  [SEARCH](#)

**Get Started**

**Welcome, mark potter!**

**Fill out your FAFSA (Free Application for Federal Student Aid)!**  
To receive federal student financial aid, you need to fill out a FAFSA every school year. Let's get started.

**For which school year are you applying for financial aid?**

2017-2018 school year [START 2017-2018 FAFSA](#)

2016-2017 school year [START 2016-2017 FAFSA](#)

If you are applying for a summer session, or just don't know which application to complete, check with the college you are planning to attend.

**FSA ID** Last Time, Date FSA ID Used:

**FSA ID Status:**  
[Create an FSA ID](#)  
There is no FSA ID on file for the information you entered.

[NEED HELP?](#)

**STUDENT**



# FAFSA

## CHANGES TO THE FAFSA® PROCESS FOR 2017–18

**SUBMIT A FAFSA EARLIER:** Students will be able to submit a 2017–18 FAFSA as early as Oct. 1, 2016, rather than beginning on Jan. 1, 2017. The earlier submission date will be a permanent change, enabling students to complete and submit their FAFSAs as early as October 1 every year. (There is NO CHANGE to the 2016–17 schedule. The 2016–17 FAFSA became available Jan. 1, 2016.)

**USE EARLIER INCOME AND TAX INFORMATION:** Beginning with the 2017–18 FAFSA, students will report income and tax information from an earlier tax year. For example, on the 2017–18 FAFSA, students (and parents, as appropriate) will report their 2015 income and tax information, rather than their 2016 income and tax information.

Here's a summary of key dates for submitting the FAFSA depending on when you plan to go to school:

IF YOU PLAN TO ATTEND COLLEGE FROM	YOU WILL SUBMIT THIS FAFSA	YOU CAN SUBMIT THE FAFSA FROM	USING INCOME AND TAX INFORMATION FROM
July 1, 2015–June 30, 2016	2015–16	January 1, 2015–June 30, 2016	2014
July 1, 2016–June 30, 2017	2016–17	January 1, 2016–June 30, 2017	2015
July 1, 2017–June 30, 2018	2017–18	October 1, 2016–June 30, 2018	2015
July 1, 2018–June 30, 2019	2018–19	October 1, 2017–June 30, 2019	2016

# FAFSA on the Web

Good reasons to file electronically:

- ▶ Built-in edits to prevent costly errors
- ▶ Skip-logic allows student and/or parent to skip unnecessary questions
- ▶ Option to use Internal Revenue Service (IRS) Data Retrieval Tool to import tax data

# FAFSA on the Web

Good reasons to file electronically:

- ▶ More timely submission of original application and any necessary corrections
- ▶ More detailed instructions and “help” for common questions
- ▶ Ability to check application status online
- ▶ Simplified application process in the future

# IRS Data Retrieval Tool

- ▶ While completing FOTW, applicant may submit real-time request to IRS for tax data
- ▶ IRS will authenticate taxpayer's identity
- ▶ If match found, IRS sends real-time results to applicant in new browser window
- ▶ Applicant chooses whether or not to transfer data to FOTW

# IRS Data Retrieval Tool

- ▶ Available October 2017 for 2018–19 processing cycle
- ▶ Participation is voluntary
- ▶ Reduces documents requested by financial aid office



# IRS Data Retrieval Tool

- ▶ Some will be unable to use IRS DRT
- ▶ Examples include:
  - ▶ Filed an amended tax return
  - ▶ No Social Security Number (SSN) was entered
  - ▶ Student or parent married, but filed separately



# IRS Data Retrieval Tool

- ▶ The majority of tax filers will have already filed their 2016 federal income tax returns before attempting to retrieve the data while completed FOTW.
- ▶ When the IRS DRT is used, the information from the applicant's tax return is masked to protect the privacy of the filer and reduce the risk of identity theft.
- ▶ Applicants who do not use IRS DRT or change transferred IRS information before submitting FOTW may need to request tax return transcripts from the IRS to verify tax data they provide on the FAFSA.

# FSA ID

- Sign FAFSA electronically
- Is the legal signature and should not be shared with anyone
- Speeds up processing
- May be used by students and parents throughout aid process, including subsequent school year
- Each parent and student should create their own FSA ID

The screenshot displays the 'Create a New FSA ID' page on the Federal Student Aid website. At the top, it features the 'Federal Student Aid' logo and the text 'PROUD SPONSOR of the AMERICAN MIND®'. Below the header, the page title is 'Create a New FSA ID', followed by a brief explanation: 'An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature.' A warning states: '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 note instructs: 'To create your own personal FSA ID, enter answers for the questions below and select CONTINUE.' An important disclaimer 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.'

The form itself is titled 'Create An FSA ID' and 'Edit My FSA ID'. It includes the following fields and options:

- E-mail:
- Confirm E-mail:
- Username:
- Password:   
Options:  Numbers,  Uppercase Letters,  Lowercase Letters,  Special Characters,  8-30 Characters,  Show Text
- Confirm Password:
- Are you 13 years of age or older?:
  - I am 13 years of age or older.
  - I am 12 years of age or younger.

On the right side of the form, there are links for 'Edit My FSA ID' and 'Frequently Asked Questions'. A green 'CONTINUE' button is located at the bottom right of the form area.

<https://fsaid.ed.gov/npas/indexhtm>

# FAFSA on the Web Worksheet

FAFSA on the Web Worksheet contains:

- ▶ Instructions
- ▶ Questions that gather basic information on student and parent, if applicable

# General Student Information

- ▶ Social Security Number
- ▶ Citizenship status
- ▶ Marital status
- ▶ Drug convictions
- ▶ Selective Service registration
- ▶ Level of parents' school completion

# Student Dependency Status

FAFSA asks questions to determine dependency status for federal student aid (not IRS) purposes:

- ▶ If all "No" responses, student is dependent
- ▶ If "Yes" to any question, student is independent



# Independent Student

- ▶ 24 or older
- ▶ Married
- ▶ Attending a Graduate Program
- ▶ Veteran or Active Duty Military
- ▶ Dependent or Children getting more than 50% of support
- ▶ Foster Care (ages 13 or older)
- ▶ Orphan/Ward of the Court
- ▶ Emancipated Minor, as determined by state
- ▶ Legal Guardianship
- ▶ Homeless Unaccompanied Youth
- ▶ Youths at Risk of Homelessness

# Information About Student (and Spouse)

- ▶ Tax, income, and other financial information
- ▶ Dislocated worker status
- ▶ Receipt of means-tested federal benefits
- ▶ Assets
- ▶ Untaxed income





# Homeless Youth

- ▶ Homeless: A student is considered such if they lacks fixed, regular and adequate housing
- ▶ Unaccompanied: The student is not living in the physical custody of his/her guardian
- ▶ Youth: 21 years of age or younger
- ▶ In cases of 22 and 23, a dependency override is needed

# Information About Parents of Dependent Students

- ▶ Tax, income, and other financial information
- ▶ Dislocated worker status
- ▶ Receipt of means-tested federal benefits
- ▶ Assets
- ▶ Untaxed income

# Additional Information

- ▶ College and housing information
- ▶ FAFSA preparer information
- ▶ Certification of Statement of Educational Purpose



# Who is the parent?

- ▶ Custodial
  - ▶ Student lives with you more than 50% of the time and receives more than 50% of financial support
- ▶ Adoptive
  - ▶ Legal adoption via the family court
- ▶ Step-parent
  - ▶ You married the student's parent

\*\*No foster parents, legal guardians or other relatives\*\*



# Parent Definition

- ▶ Based on recent Defense of Marriage Act (DOMA) Act changes
- ▶ If the parents of a dependent student are unmarried and living together, will need to report both income/asset information
- ▶ Regardless of gender
- ▶ Parent is defined as Biological or Adoptive
- ▶ Households ineligible to use the IRS DRT
- ▶ No longer use terms Mother and Father

# Signatures

- ▶ Required
  - ▶ Student
  - ▶ One parent (dependent students)
- ▶ Format for submitting signatures
  - ▶ Electronic using FSA ID
  - ▶ Signature page
  - ▶ Paper FAFSA

# Frequent FAFSA Errors

- ▶ Social Security Numbers
- ▶ Divorced/widowed/remarried parental information
- ▶ Income earned by parents/stepparents
- ▶ Untaxed income
- ▶ U.S. income taxes paid
- ▶ Household size
- ▶ Number of household members in college
- ▶ Real estate and investment net worth

# FAFSA Processing Results

Central Processing System (CPS) notifies student of FAFSA processing results by:

- ▶ Paper Student Aid Report (SAR) if paper FAFSA filed and student's email address is blank
- ▶ SAR Acknowledgement if filed FAFSA on the Web and student's email address is blank



# FAFSA Processing Results

- ▶ CPS notifies student of FAFSA processing results by:
  - ▶ Email notification containing a direct link to student's online SAR, if student's email was provided on paper or electronic FAFSA
- ▶ Student with FSA ID may view SAR online at [www.fafsa.gov](http://www.fafsa.gov)

# FAFSA Processing Results

- ▶ Institutional Student Information Record (ISIR) sent to colleges listed on FAFSA approximately 10 to 14 days after FAFSA is submitted
- ▶ College reviews ISIR
  - ▶ May request additional documentation

# Student Aid Report

- ▶ Review data for accuracy and correct any errors
- ▶ Update estimated tax information when actual figures become available

# Making Corrections

If necessary, corrections to FAFSA data may be made by:

- ▶ Using FAFSA on the Web ([www.fafsa.gov](http://www.fafsa.gov)) if student has a FSA ID;
- ▶ Updating paper SAR (SAR Information Acknowledgement cannot be used to make corrections); or
- ▶ Submitting documentation to college's financial aid office

# Special Circumstances

- ▶ Cannot be documented using FAFSA
- ▶ Send written explanation and documentation to financial aid office at each college
- ▶ College will review and request additional information if necessary
- ▶ Decisions are final and cannot be appealed to U.S. Department of Education

# Special Circumstances

- ▶ Change in income
- ▶ Change in employment status
- ▶ Unusual medical expenses not covered by insurance
- ▶ Change in parent marital status
- ▶ Unusual dependent care expenses
- ▶ Student cannot obtain parental information



# Resources

- [www.fafsa.gov](http://www.fafsa.gov) (FAFSA on the Web)
- [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) (FAFSA 4caster)
- [www.hesc.ny.gov](http://www.hesc.ny.gov) (NYS Higher Education Services Corp.)
- [www.cuny.edu/financialaid](http://www.cuny.edu/financialaid) (City University of NY)

## Scholarship Searches

- [www.fastweb.com](http://www.fastweb.com)
- [www.hsf.net](http://www.hsf.net) (Hispanic Scholarship Fund)
- [www.uncf.org](http://www.uncf.org) (United Negro College Fund)
- [www.collegeboard.com/paying](http://www.collegeboard.com/paying)



# FAQ

