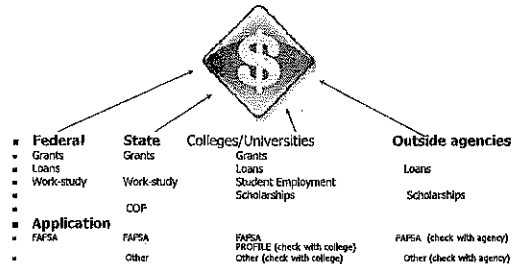


Paying for College

Co- Presented by
 Jim Swanson
 Director of Financial Aid
 Colorado College
 &
 Jannette Parks Swanson
 Financial Aid Support Services
 The College Board

Sources of Financial Aid



Tonight's Program

- Information applicable to all types of colleges and universities
- Review the financial aid application process
- Discuss the FAFSA
- Help you understand the basics of financial aid
- Explain the state program – College Opportunity Fund (COF)
- Helpful hints to find scholarships and avoid scholarship "scams"
- Provide options to help finance
- College Goal Sunday February 12th
- Answer your questions

General Financial Aid Process

- Research each college and university
 - Determine required financial aid application and forms
 - Deadlines for filing
 - Note: Each institution has different deadlines for admissions and financial aid applications. Do not wait until you are admitted to a school to apply for financial aid
- Submit forms by deadlines
 - Each college and university will probably require a FAFSA
 - Some may require other forms in addition to the FAFSA
- Each colleges and universities will determine your eligibility for financial aid at that particular school
- Financial aid offer will be sent
 - Review the offer
 - Get back to the college or university if needed
- Accept or Decline the financial aid offered by the deadline established by the college or university

The Keys To Success

- Be organized and observe deadlines and application requirements**
 - Applying for Admissions and Financial Aid are two different processes.
 - Application deadlines and requirements vary from college to college
 - Don't miss deadlines.
- Make College affordable by making it a family priority!**
 - Understand the full costs associated with going to college.
 - Have realistic expectations of what the family can afford.
 - Think of financing higher education as an investment vs. expense.

What is the FAFSA?

- The FAFSA (Free Application for Federal Student Aid) is **THE ONLY APPLICATION** used to determine eligibility for federal financial aid:
 - Federal Grants – Pell Grant, Supplemental Education Opportunity Grant, TEACH, and Others
 - Federal Loans – Perkins, Stafford, PLUS
 - Federal Work Programs – College Work-Study
- Many states, colleges and some private scholarship foundations, will also use the FAFSA information to determine eligibility for their funding.
- Unless there are special circumstances, parent and student will be required to provide income and asset information on the form

Who should complete the FAFSA

- Student who is planning to go to college
 - If more than one sibling is in college, a FAFSA must be completed by each college student in the home.
- Parent(s) of the dependent student
 - If married with each other, both biological parents
 - If divorced, only one parent- the parent the student lived with the most during the past 12 months
 - If remarried, both the biological parent with whom student lives with and his/her stepparent

FAFSA

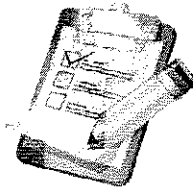
- Step 1: Student Demographics
- Step 2: School Section
- Step 3: Student Dependency Status
- Step 4: Parental Demographics
- Step 5: Financial Information
- Step 6: Sign and Submit
- Step 7: Confirmation

Free Application for Federal Student Aid (FAFSA)

- Complete after January 1, 2012 (for the 2012-13 academic year) but before earliest college's financial aid application deadline
- **IMPORTANT: Complete the 2012-13 version of the FAFSA**
- Use accurate information, estimate if tax information not yet available
- Available in English and Spanish versions
- Three methods to file FAFSA
 - On-line via Internet (recommended)
 - Complete a PDF FAFSA on-line and submit via postal mail
 - For those who have limited or no access to the Internet, request a paper FAFSA 800-433-3243

Items Reported on FAFSA

- Parent(s), Stepparent & Student Information
 - 2011 Adjusted Gross Income
 - 2011 Wages, Salaries, Tips, etc.
 - 2011 Untaxable Income
 - 2011 Taxes Paid
 - Household size
 - Number of dependents in college
 - Savings, Investments & Other Real Estate (value at the time of application)
 - Business value (more than 100 employees)



Apply On-line via the Internet



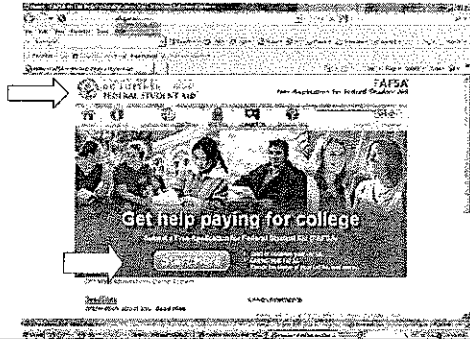
- Use the U.S. Department of Education secure website; www.fafsa.ed.gov
- Apply for Personal Identification Number (PIN) on this website. Serves as electronic signature
 - ✓ At least one parent and the student each need a separate PIN to file a FAFSA
- With the taxpayers consent, able to transfer the tax data on file with the IRS to the FAFSA.
- Worksheet is available
- Option to send the information electronically up to 10 different schools.

Items Not included on the FAFSA

- Value of Family Business
 - Unless the business has greater than 100 employees
- Non-Custodial Parent Information
 - Except for child support received
- Qualified Retirement Savings Plans
 - Except for yearly contributions
- Family Home
 - Second homes and other real estate are included
- Parents attending college
- Detailed Expenses
 - Such as medical, elder care, and consumer debt



www.fafsa.ed.gov



CAUTION!

- Avoid being charged a fee to file the FAFSA
 - Completing, filing and processing the FAFSA are **FREE**
 - If filing FAFSA on the Web, make sure you go directly to: **www.fafsa.ed.gov**
 - Contact staff in the financial aid office if you need help in completing the FAFSA or call the federal information center at (800) 433-3243
 - Accessing www.fafsa.com is not the free federal website and they will charge you \$\$\$\$.

Net Price Calculators

- Effective October 2011, all colleges must have a net price calculator on their website
- Estimates financial aid award
- Should be used as a guideline



Frequent FAFSA Errors

- Completing the wrong "year's version" of the FAFSA
- Incorrect parent and student Social Security Numbers or Driver License number
- Not reporting whole numbers
- Listing incorrect marital status as of FAFSA filing date
- Not reporting untaxed income
- Reporting amount withheld instead of U.S. income taxes paid
- Incorrect number in household and number of dependent students in college
- Forgetting to list the college
- Forgetting to electronically "sign" and submit FAFSA

IRS Data Retrieval Tool

Income Estimator Notifications

- Students and/or parents will receive e-mail reminders to update the student's FAFSA with filed tax information
- Messaging reminds parents they can use the use of the IRS Data Retrieval Tool

Do's and Don'ts of Applying for Financial Aid

- **DON'T** have a heart attack!
- **DO** apply **NOW** for a PIN number (both student and parent)
- **DO** apply on-line through www.fafsa.ed.gov **NOT** www.fafsa.com
- **DO** have student's social security card & number, date of birth, and driver's license number
- **DO** have financial records available: tax returns, recent bank statements, if applicable, veteran benefits records, child support received etc.....
- **DO** use the IRS Data Retrieval process, if applicable and appropriate
- **DO** read the "Help and Hints" carefully and thoroughly
- **DO** apply before the institutional application deadline
- **DO** respond to all inquiries ASAP
- **DON'T** get discouraged-- ASK QUESTIONS!

How am I notified of the FAFSA results?

- US Department of Education notifies student of FAFSA processing results via Student Aid Report (SAR):
 - By e-mail notification within 3 to 5 days- If e-mail address was provided and FAFSA filed on-line.
 - By Postal Mail within 7 to 10 days- If no e-mail address was provided or paper FAFSA was submitted.
- In addition to sending the notification to you, the US Department of Education will also automatically send the information to the colleges you have listed on the FAFSA.

Cost of Attendance (COA)

- Tuition and fees
- Room and board
- Books, supplies, and equipment
- Transportation
- Miscellaneous personal expenses
- Student Health Insurance, if applicable
- Loan fees, if applicable
- Study abroad costs, if applicable



IMPORTANT

- Reapply every year
- APPLY ON TIME BEFORE APPLICATION DEADLINES!



Eligibility for Financial Aid based on "Need" Definition of Need

Cost of Attendance (COA)

- Expected Family Contribution (EFC)

= Financial Aid Eligibility (Often referred to as Financial Need)



When you apply for financial aid...

...you are applying for financial assistance to help meet ALL of the costs associated with going to college.

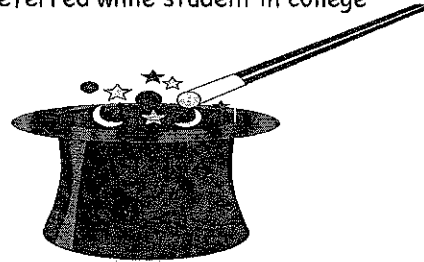
Merit Based Financial Aid

- Based on students achievement or characteristics:
 - Academics
 - Music/Fine Arts
 - Religious/ Fraternal affiliation
 - Geographic
 - Athletic
 - Leadership/Community Service
 - Ethnic/Gender
 - First Generation to attend College

Sources of Merit Based Aid

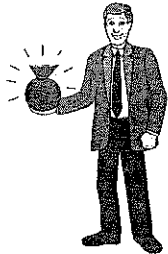
High School Counselor
Colleges and Universities
Public Libraries
Internet:
FinAid on the Web: www.finaid.org
College Board: www.collegeboard.com
Mycollegedollar.com
FastWeb: www.fastweb.com
College In Colorado: www.collegeincolorado.org
US Department of Education:
www.FederalStudentAid.ed.gov/scholarship

Even if students are not able to show "need" or financial aid eligibility, they are able to borrow an unsubsidized federal Stafford Loan... the principal is still deferred while student in college



Primary Sources of Financial Aid

- Federal Government
 - www.studentaid.ed.gov
 - Apply using FAFSA
- State of Colorado
 - www.collegeincolorado.org
 - Apply using FAFSA
- Colleges/Universities
 - Apply using FAFSA and/or other forms
- Private agencies/ organizations
 - Apply using agency/organization's forms
- Employers
 - Contact your employer



PLUS Loans

- Loan program for parents of dependent undergraduate students as well as graduate and professional students
- Annual loan limit: COA minus other aid
- Fixed interest rate 7.9%
- Must have "acceptable" credit history

•Federal Loans for education are:

- lower interest
- offer deferment and forbearance privileges (which means payment can be deferred when the student goes to graduate school or falls into financial hard times.)
- awarded with the guidance of financial aid professionals (which means that someone is helping with processing questions and provides debt counseling)

PLUS

- Loan fees based on principal amount of each loan:
 - Up to 4%
- Delayed repayment of principal until 6 months after the student is no longer enrolled at least as a half-time college student. Interest on loan can be paid monthly

A job may be offered to help meet the need



- Job listings may be available in the Financial Aid Office or at another campus office
- Earnings can be used to make college payments or to meet personal expenses

Colleges and Universities

- Awarded to students who attend the school
- Assistance in the form of Scholarships, Grants, Jobs, Loans, Research, and even Travel Stipends
- Applications vary from school to school
- Based on any number of criteria

State Programs

- Residency requirements
- Award aid on the basis of both merit and need
- Use information from the Free Application for Federal Student Aid (FAFSA) application.
- Colorado Opportunity Fund (COF)

What is a CSS PROFILE Financial Aid Application?

- Used by some colleges (mostly private colleges) to determine eligibility for institutional grants and scholarships
- Processed by the College Board on behalf of colleges
- Requires a processing fee
- Fee waivers available for low income filers
- www.collegeboard.com

State of Colorado Program- College Opportunity Fund (COF)

- Provides stipends (vouchers) to eligible undergraduate Colorado residents attending eligible Colorado universities and colleges
- In 2011-12:
 - \$62 per credit hour at eligible public colleges/universities in Colorado; no income qualifications
 - For federal Pell Grant eligible Colorado residents attending University of Denver or Regis University, \$31 per credit hour
- Interested students must **apply**, be **admitted** and **enroll** at a participating institution.
- Answers to questions and on-line link to apply
✓ <http://www.collegeincolorado.org/>

Does the school require additional information?

- Colleges that have their own (non-governmental aid), may ask for additional information and may determine eligibility for that aid through a different formula
- May consider home equity, medical/dental expenses, elderly dependent care expenses, elementary/secondary tuition expenses for siblings, special circumstances

Private Scholarships- Applications and Deadlines Vary

- Parent's place of employment
- Local businesses & civic and fraternal organizations
- Local Foundations
 - Daniels Fund
 - www.danielsfund.org
 - Boettcher Foundation
 - www.boettcherfoundation.org
 - Sachs Foundation
 - www.sachsfoundation.org

Where Can You Find Free Information About Financial Aid?

- Visit www.NASFAA.org and www.studentaid.ed.gov
- Talk to the financial aid administrator at the college of choice
- Ask your high school counselor, or visit the local library

Civic Organizations and Churches

- Research what is available in your community
- Do you belong to any organizations or churches?
- Application process usually spring of senior year
- **Small scholarships add up!**

Want More Info?

IRS Publication 970- Tax Benefits
for Education
www.irs.gov

Be a wise consumer: Beware of Misleading Offers

- "The scholarship is guaranteed or your money back."
- "We need your credit card information to hold your scholarship."
- "The scholarship requires a small fee."
- "Come to our seminar and we'll show you how to get more financial aid. You only have to pay a small fee."

Summary and Suggested Timeline for HS Seniors

- **January-February**
 - ✓ Apply for admission at college of your choice before deadline
 - ✓ Complete & submit FAFSA before college's application deadline **(Don't wait until you are admitted to apply for financial aid)**
 - ✓ Complete & submit other required applications by required date
 - ✓ Note: Well prepared first-generation College Goers are wanted. Do not be afraid to apply!
 - ✓ Review the school websites...make a list of the deadlines and forms required for each school. Check out their Net Price Calculators
 - ✓ Be organized
 - ✓ Don't miss deadlines - if you snooze...you lose!

Summary and Suggested Timeline for HS Seniors

■ February-May

- ✓ Receive confirmation of processed FAFSA application (Student Aid Report)
- ✓ Respond to college's inquiries ASAP
- ✓ If admitted, will receive award notification letter
- ✓ Accept or deny admission offer by required date
- ✓ Accept or deny financial aid offer by required date

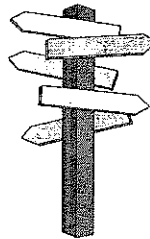
College Goal Sunday

- Free assistance in completing the FAFSA
- February 12, 2012
- 2:00 pm to 4:00pm
- www.collegegoalcolorado.org
- Pikes Peak Community College
 - 5675 S. Academy Blvd
- University of Colorado-Colorado Springs
 - Columbine Hall, Rooms 220, 221, 223, & 224

A little more about the process...

- Once the forms are completed, information about your EFC is sent to you and the schools you listed on the FAFSA
- Don't faint, don't stop, and don't be discouraged when you see the EFC! Wait until you receive your financial aid award letters before you decide if the school is affordable!

Where Do I Go From Here?



- Complete application for admission
- Review college's materials/Website for aid application requirements and deadline information
- Complete tax returns as soon as possible
- Attend College Goal Sunday
- Complete FAFSA
- Complete other financial aid / scholarship applications if applicable
- Investigate other sources of aid
- Conduct private scholarship search

A little more about the process...

- When you receive the financial aid award letter, make sure you understand the type of awards you have been offered – grants, loans, scholarships, work
- What are the terms and is it renewable?
- Is there enough financial aid?
- Do you really want to go to this school?
- Don't be afraid to explain family special circumstances to the financial aid office... loss of job, 2012 income will be less than 2011, care for your grandparents, medical expenses for extended family, high medical costs...
- Be prepared to explain in writing and with appropriate documentation
 - Not only "describe your situation" but also provide "the numbers"

Thank you for attending

- Questions? Still feeling snowed under????
- Talk to your HS Counselor or financial aid person at the college you are considering
- Jim Swanson
 - Director of Financial Aid
 - Colorado College
 - (719) 389-6651
 - jswanson@coloradocollege.edu
- Jannette Parks Swanson
 - College Board
 - (571) 485-3297
 - jswanson@collegeboard.org

