

Financial Aid...Unplugged



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NASFAA

Statement of Ethical Principles

- Be committed to removing financial barriers
- Be an advocate for the student at all levels
- Educate students and families through quality consumer information
- Provide services that do not discriminate
- Maintain the highest level of professionalism

The Financial Aid Office

- ▶ Is committed to removing financial barriers
- ▶ Is an advocate for the student at all levels
- ▶ Educates students and families through quality consumer information
- ▶ Provides services that do not discriminate
- ▶ Maintains the highest level of professionalism

“A Partnership”

- ▶ To the extent they are able, **parents** have primary responsibility to pay for their dependent children’s education
- ▶ **Students** also have a responsibility to contribute to their educational costs
- ▶ Families should be evaluated in their **appropriate** financial condition
- ▶ A family’s ability to pay for educational costs must be evaluated in an **equitable and consistent manner**, recognizing that **special circumstances** can and do affect its ability to pay

Choosing a College

Best Fit

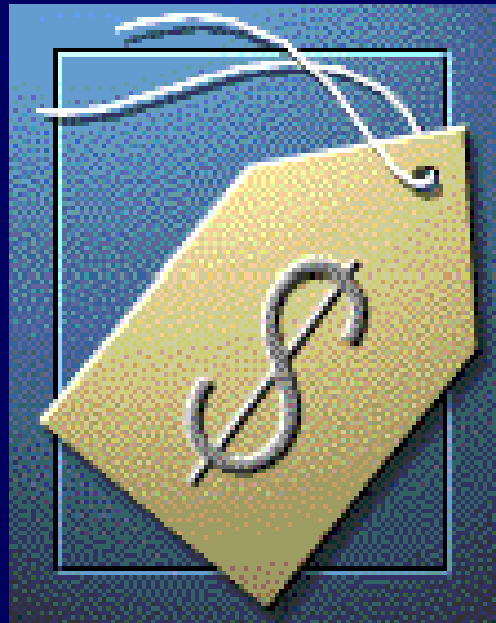
- ▶ Program
- ▶ Location
- ▶ Size
- ▶ Mix of Students
- ▶ Academics
- ▶ Extracurricular
- ▶ Facilities
- ▶ Financial Considerations



Current College Costs

- Average Tuition, Fees, Room, Board
 - 4 Year Public: \$15,000
 - 4 Year Private: \$32,000
- Average personal expenses [clothing, laundry, toiletries, recreation, entertainment] = \$2,000
- Books = \$700 - \$1,000 per year

Sticker Price
VS.
After Financial Aid/Scholarship Price



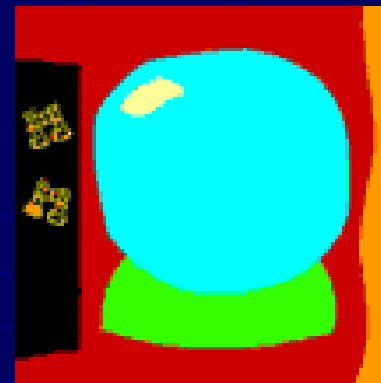
Coming
soon!

Net Price Calculator Tool



What is Financial Aid?

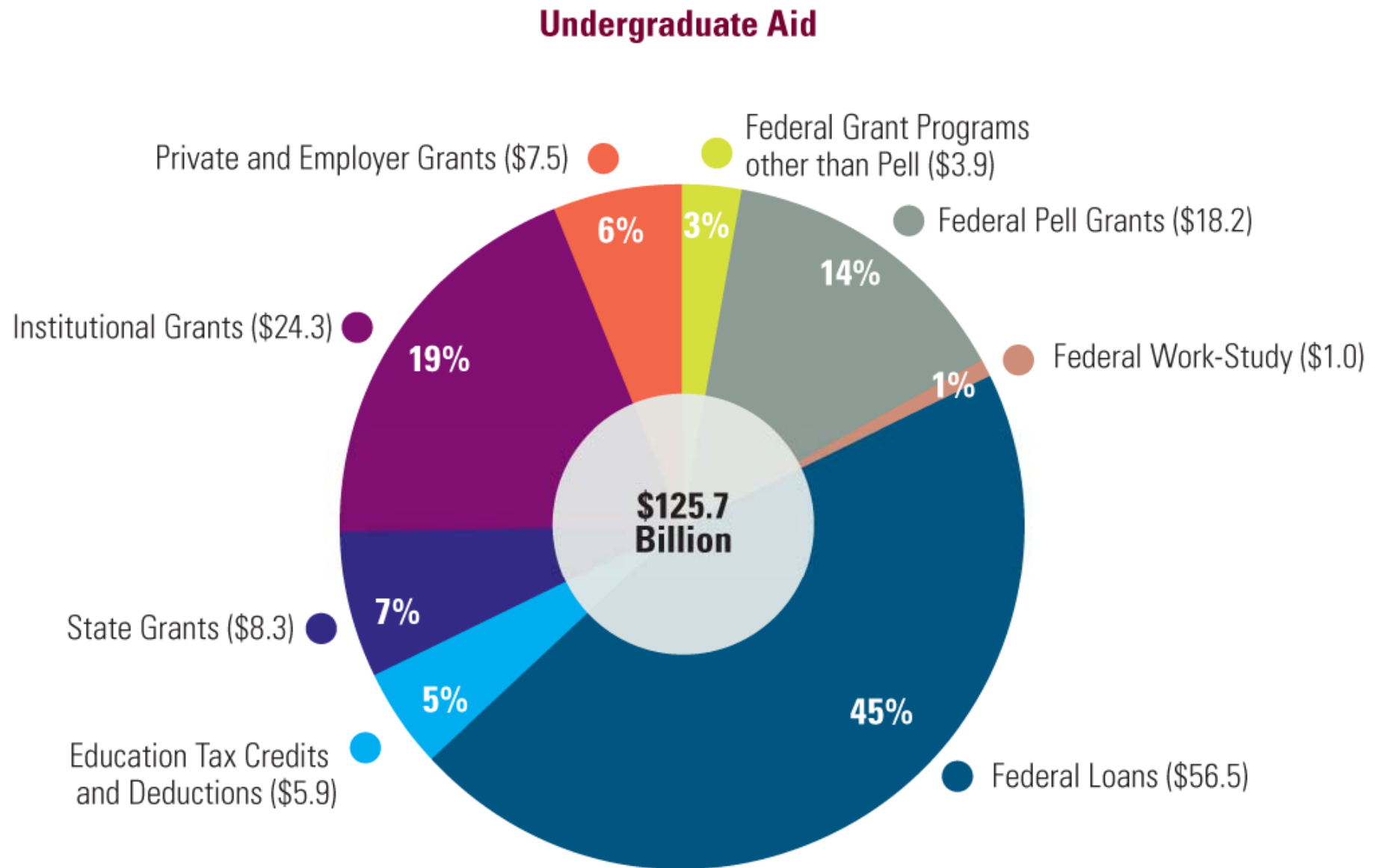
- ▶ **Scholarships**
- ▶ **Grants**
- ▶ **Student Loans**
- ▶ **Work-Study**



Financial aid is available from four major sources:

- **U.S. Department of Education**
- **States**
- **Colleges and Universities**
- **Private Organizations**

Undergraduate Student Aid by Source 2008-09



Private Scholarships

- ▶ 3 Million Recipients
- ▶ \$7 Billion Awarded
- ▶ \$2,500 Average Award
- ▶ 7% of undergraduates



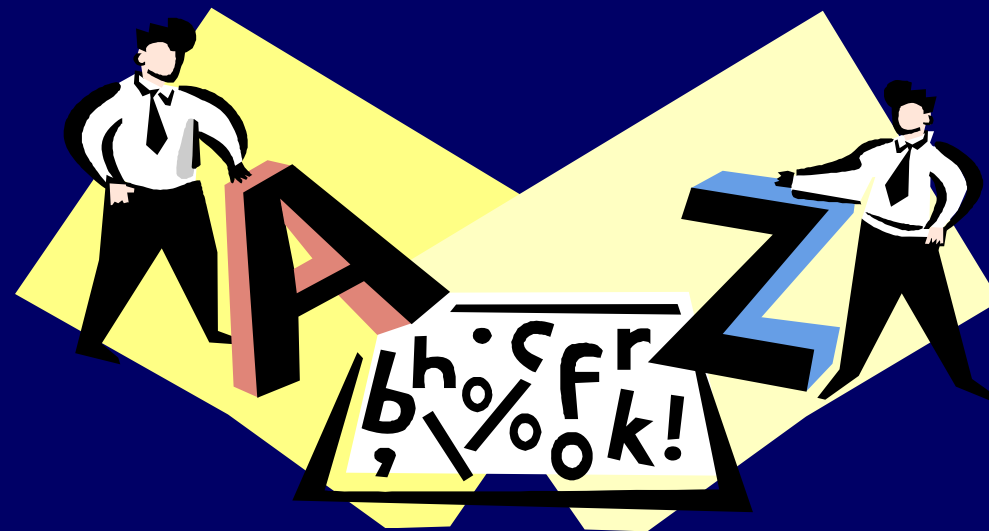
Scholarship Search

- ▶ WWW.FINAID.ORG
 - Fastweb.com, brokescholar.com
- ▶ But beware of scholarship scams (consultants, seminars)

*November
is
National
Scholarship
Month*



So . . . how does the process begin?



***Need Money
For Your Education?***

Start Here ►

WWW.FAFSA.ED.GOV



Online

Paper

START HERE GO FURTHER FEDERAL STUDENT AID

FAFSA
U.S. DEPARTMENT OF EDUCATION
FEDERAL STUDENT AID

Free Application for Federal Student Aid

FAFSA Home Student Aid on the Web Application Deadlines PIN Site Help Contact Us FAQs Site Map About Us

1 Before Beginning a FAFSA

2 Filling Out a FAFSA

3 FAFSA Follow-Up

Federal Student Aid FAFSA

We have simplified the process of filling out the FAFSA. You can follow each section all of the way through for a comprehensive set of instructions.

1 Before Beginning a FAFSA

Get organized! To simplify filling out the FAFSA, gather the required documents and other information.

[FAFSA on the Web Worksheet](#)
[Find my school codes](#)
[Students & Parents apply for a PIN](#)
[Check FAFSA Deadline Dates](#)

2 Filling Out a FAFSA

Fill out the FAFSA! It has seven steps that ask about you, your school plans, financial information and more.

[Fill out a FAFSA](#)
[Llenar la FAFSA en español](#)
[Fill out a Renewal FAFSA](#)
[Llenar la FAFSA de Renovación en español](#)
[Continue working on saved FAFSA](#)
[Sign Electronically with your PIN](#)

3 FAFSA Follow-up

Find your FAFSA online! You can go back to your FAFSA to check status, make corrections to a processed FAFSA and get other information.

[Check Status of a submitted FAFSA or print Signature Page](#)
[Make Corrections to a processed FAFSA](#)
[Add or Delete a School Code](#)
[View and print your Student Aid Report](#)

FAFSA ALERTS:

FAFSA Deadlines:
Submit 2006-2007 FAFSA on the Web Applications by **midnight Central Daylight time, July 2, 2007.**

Submit 2007-2008 FAFSA on the Web Applications by **midnight Central Daylight time, June 30, 2008.**
[More>](#)

State deadlines are normally much earlier than Federal deadlines. To find your state's deadline, select [state deadlines](#)

Site Last Updated: Wednesday, September 27, 2006

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FAFSA
U.S. DEPARTMENT OF EDUCATION
FEDERAL STUDENT AID

FREE APPLICATION FOR FEDERAL STUDENT AID
July 1, 2007 — June 30, 2008

START HERE GO FURTHER FEDERAL STUDENT AID

Use this form to apply free for federal and state student grants, work-study and loans.

Or apply free online at www.fafsa.ed.gov.

STATE AID DEADLINES
www.fafsa.ed.gov

Check with your school administrator for the state aid administrator's office:

AL, *AS, CA, HI, IL, IN, MD, MI, MN, MO, NY, ND, OH, OK, OR, PA, RI, SC, TN, TX, VA, VT, WA, WI, WY

Apply as early as possible, but no earlier than January 1, 2007, and no later than June 30, 2008. Your application must be received by your last day of enrollment in the fall semester.

For state aid, you may need to complete additional forms. Check with your school administrator for state aid deadlines. If you are filing close to the deadline, you may file your FAFSA at www.fafsa.ed.gov.

Using Your Tax Return

If you are supposed to file a 2006 tax return, complete it before filing out this form. You still submit your FAFSA, but you must file your tax return, correct any income on you initially submitted on your FAFSA.

Filling Out the FAFSA

Your answers on this form will be read by a computer. To ensure that your answers are read correctly:

- use black ink and fill in ovals
- print clearly in CAPITAL LETTERS
- skip a box between words
- report dollar amounts in full (e.g., \$12,356.41) like the examples on page 5

Yellow boxes on this form contain important information. Read them carefully. If you or your school administrator are having a problem (e.g., loss of employment), contact your school administrator as instructed and consult with the FAFSA administrator. If you need more information, call 1-800-4-FED-AID. If you are deaf or hearing impaired, you may call 1-800-730-8913. If you need a large print version, call 1-800-730-8913.

Mailing

After you complete the form, make a copy of pages 7 through 10 for your records. Then mail only pages 7 through 10 in the attached envelope or send it to: Federal Student Aid Programs, P.O. Box 7001, Mt. Vernon, IL 62864-0071. Do not send the worksheets on page 5; keep them for your records.

If you do not receive the results of your application—a *Student Aid Report (SAR)*—within three weeks, please check online at www.fafsa.ed.gov or call 1-800-433-3243. If you provided your e-mail address in question 13, you will receive information about your application within a few days after we process it.

Let's Get Started!

Now go to page 7 of the application form and begin filling it out. Refer to the notes as instructed.

STATE AID DEADLINES

AL, *AS, CA, HI, IL, IN, MD, MI, MN, MO, NY, ND, OH, OK, OR, PA, RI, SC, TN, TX, VA, VT, WA, WI, WY

March 1, 2007 (date received)
April 1, 2007 (date received)
March 15, 2007 (date received)
July 1, 2007 (date received)
May 1, 2007 (date received)
March 1, 2007 (date received)
May 1, 2007 (date received)
March 1, 2007 (date received)
September 1, 2007 (date received)
August 15, 2007 (date received)
March 10, 2007 (date received)
April 1, 2007 (date received)
March 15, 2007 (date received)
July 1, 2007 (date received)
May 1, 2007 (date received)
March 1, 2007 (date received)
May 1, 2007 (date received)
March 1, 2007 (date received)
September 1, 2007 (date received)
August 15, 2007 (date received)

*PA All other applicants & all non-2007 applicants in degree program August 1, 2007 (date received)
#RI March 1, 2007 (date received)
#SC June 30, 2007 (date received)
#TN For State Grant - March 1, 2007 (date received)
For State Lottery - September 1, 2007 (date received)
**WV March 1, 2007 (date received)

For priority consideration, submit application by date specified.
^ Applicants encouraged to obtain proof of mailing.
* Additional form may be required.

FAFSA on the Web (FOTW)

WWW.FAFSA.GOV

- ✓ Available January 1
- ✓ English or Spanish
- ✓ Skip logic and online editing
- ✓ Electronic signature
- ✓ Electronic notification
- ✓ 17 million (99%) FOTWs processed 10/11 so far



Changes to the FAFSA

- FAFSA on the Web (FOTW) the preferred method
 - 99% processed electronically 2010-11
- *Real-time PIN*  ***NEW***
- *FAFSA EZ*  ***Very Soon***

Why bother?

- Submit the FAFSA whether or not they think they qualify for aid.
 - 65% of all students receive aid
 - 85% at private colleges
 - Average cost 4 year public = \$15,000
 - 4 year private = \$35,000
- Sometimes being rejected for federal aid is a prerequisite for receiving private awards.

Ways To Facilitate the Process

- Outreach programs
 - FAFSA Workshops
 - Financial Planning Workshops
 - Financial Literacy Workshops for students
- Streamline process for some populations
- Educate families through printed materials
- Educate parents to take part in the process

- A** Getting Started
- B** Using the FAFSA4caster
- C** What's Next

Special Announcements

Alert! Important changes that may affect your eligibility for student aid.

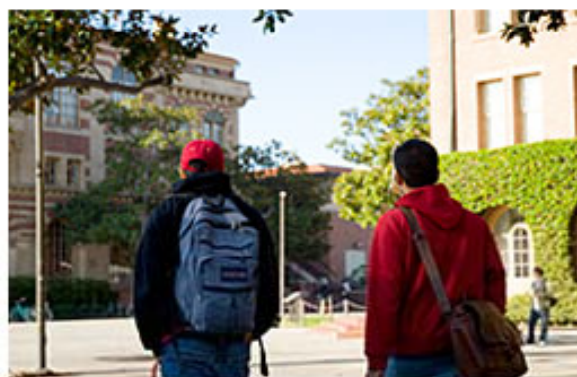
Seniors. Ready to fill out the FAFSA?



High school seniors in the last semester of school must fill out a FAFSA to determine eligibility for financial aid.

[Link to FAFSA on the Web](#)

Federal Student Aid FAFSA4caster



If you want to begin exploring your financial aid options and get an early start on the financial aid process, FAFSA4caster is for you! By using FAFSA4caster, you and your family will receive an early estimate of eligibility for federal student aid. This Web site provides you with an opportunity to increase your knowledge of the financial aid process; become familiar with the various types of federal student aid that are available; and investigate other sources of aid, such as grants and scholarships.

When you're ready to apply for aid, you can easily transition from FAFSA4caster to *FAFSA on the Web*. Much of the information that you enter in the FAFSA4caster will populate your *FAFSA on the Web* application, making the experience of applying for federal student aid a lot easier.

So help make your future forecast a bright one by planning now for college. Use the FAFSA4caster now!

Getting Started



What is federal student aid? Who qualifies? How do you apply? Get an early start on the financial aid process by learning the basics now. It can be as easy as A-B-C!

[Link to section](#)

Using the FAFSA4caster



[Begin Now](#)

What's Next



What are your next steps? Learn how to transition from FAFSA4caster to *FAFSA on the Web*, follow the financial aid timeline, and perform searches for scholarships and other types of non-federal financial aid.

[Link to section](#)

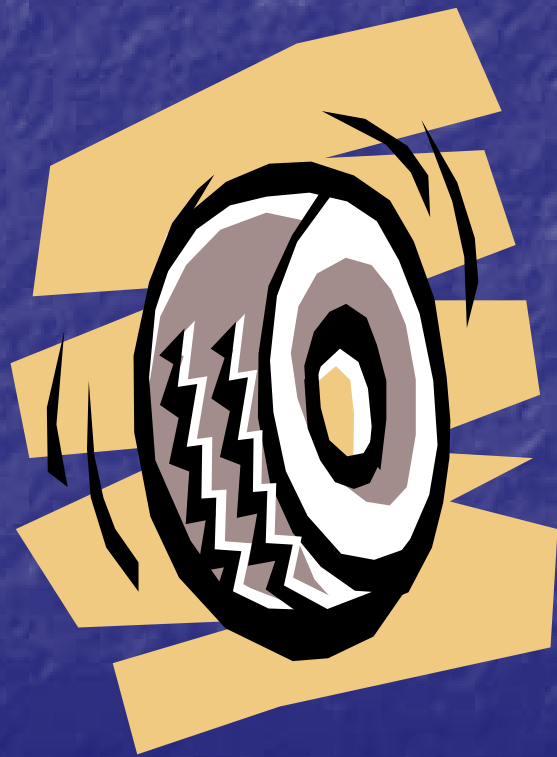
Scheduled Maintenance:

FAFSA4caster will be unavailable on every Sunday from 5 a.m. to 11 a.m. (Eastern Time). We apologize for any inconvenience this may cause.

FAFSA4caster Release II

- Instant EFC
- *NEW* – federal student aid award estimates
- *NEW* – 12 different school scenarios
- *NEW* – Automatically generates PIN
- *NEW* – MYSFA account transfer of demographic data
- *NEW* – FAFSA reminder in January

Supplemental Financial Aid Applications



- **The College Scholarship Service Financial Aid *PROFILE***
- **A College's own application for financial aid**

CSS PROFILE usage; and Changes

- 215,000 PROFILES processed 2010-11; 2.3 Colleges each report
 - \$25 initial application; \$16 additional school
 - 11,500 fee waivers (\$601,210)
 - Application numbers increased for schools announcing FA initiatives and/or eliminating early admission programs
- 275 Colleges participate in the PROFILE
- ADAPTIVE PROFILE
 - Questions tailored to respondent's answers
- RENEWAL PROFILE

Special Situations

Examples of items not on the FAFSA:

- income change (work, child support, SSBs, etc)
- large healthcare costs
- some educational costs
- support of extended family
- significant non-elective home repairs
- consideration will vary from school to school
- check with financial aid office for "how to"
- provide #s and explanation, and daytime phone

Primary Determinants of Ability to Pay

- Income
 - Taxable (Adjusted Gross Income)
 - Untaxed
- Household Size
- Number in College

Grants (gift aid)

- Federal Pell Grant; **\$5,550 maximum**
- Federal Supplemental Educational Opportunity Grant (SEOG)
- Academic Competitiveness Grant (ACG) *Expires 2011*
 - **\$750 first year**
 - **\$1,300 second year**
- National Science & Mathematics Access to Retain Talent Grant (SMART)
 - **\$4,000 each third and fourth years**
- Teacher Education Assistance for College and Higher Education Grant (TEACH); **\$4,000**
- IL Monetary Award Program (MAP); **\$4,968 maximum** *Maybe!*
- Illinois Incentive for Access Grant (IIA); **\$500**
- Grant for Iraq and Afghanistan War dependents

NEW

Expires 2011

NEW

Maybe!

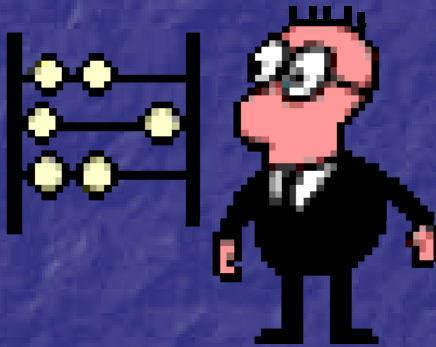
Student Loans

- Direct Loan Transition
- Loan Maximums
 - \$3,500 Freshman
 - \$4,500 Sophomore
 - \$5,500 Junior
 - \$5,500 Senior
 - Additional eligibility
 - \$2,000 Unsubsidized Stafford for each grade level
- Perkins Loan
 - \$5,000 per year

Interest Rates

- July 1, 2008: 6.0%
- July 1, 2009: 5.6%
- July 1, 2010: 4.5%
- July 1, 2011: 3.4%

Financial Aid Packaging



***Typical ACM
FA Award Letter***

Costs (*Tuition, fees, room board, misc.*):

\$43,000

Total Grant Assistance (*all sources*):

\$21,500

Total Self-Help Assistance (*loan + work-study*):

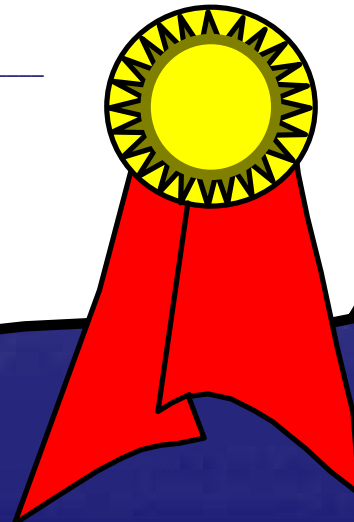
\$8,500

Total Financial Aid:

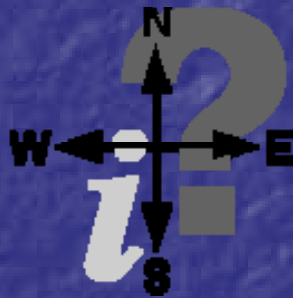
\$30,000

Average EFC:

\$13,000



Encourage Families to Ask Questions



WWW.ACM.EDU

Increasing Access

- Automatic 0 EFC: from \$20,000 to \$30,000
- Excludes some untaxed incomes: welfare payments, EIC, SSB)
- 529 programs are all parent assets
- Independent definition:
 - foster care or ward of court at age 13 or older
 - Emancipated minor or in legal guardianship
 - Has been verified as an unaccompanied youth who is a homeless child or youth
- Loans interest rate: from 6.8% to 3.4% by 2012
- FAA can use dependency override made by another FAA



Mandates

“The entire financial aid system—including federal, state, institutional, and private programs—is confusing, complex, inefficient, duplicative, and frequently does not direct aid to students who truly need it.”

- The Secretary of Education's
Commission on the Future of Higher Education

July 1 Changes to Student Aid

- **Lower Interest Rates**
- **Income-based Repayment Program**
- **Children of Soldiers (Pell Grant)**
- **Year Round Pell**
- **Yellow Ribbon Program** (effective August 1)



**THE
END**