



# Topics

- How to apply for financial aid
- Types of Financial Aid
- Financial Aid Offers





### Financial Aid Basics

- The federal government looks to BOTH the student and the family to cover educational costs
- Financial aid is designed to assist all families regardless of financial situation



### What to Apply for

Different schools require different applications, check with the Financial Aid Office and Admissions Office at each school.

#### Some standard applications are:

- 1. Admissions Application
- 2. Free Application for Federal Student Aid (FAFSA)
- 3. Other institutions application documents
- 4. Scholarship applications



### What is the FAFSA

- FREE Application for Federal Student Aid
- Studentaid.gov
- Opening by December 1, 2024
- 2025-2026 FAFSA will use 2023 tax information
- Federal application used to determine eligibility for financial aid



### Creating an FSA ID (For the FAFSA)

- Studentaid.gov
- Studentaid.gov account is your FAFSA username and password
- Parents and students will create separate studentaid.gov accounts to log in
- One account per email, phone number and Social Security Number (SSN is required)
- Make sure to include your legal name and the correct DOB
- Students should **not** use a high school email as it is likely to be disabled after graduation

Creating a studentaid.gov account

#### Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to manage the student loan journey.

**Get Started** 

Already have an account? Log In

#### What You Can Use Your Account For

- Filling out the Free Application for Federal Student Aid (FAFSA®) form
- Signing your Master Promissory Note (MPN)
- · Applying for repayment plans
- · Completing loan counseling
- Using the Public Service Loan Forgiveness Help Tool

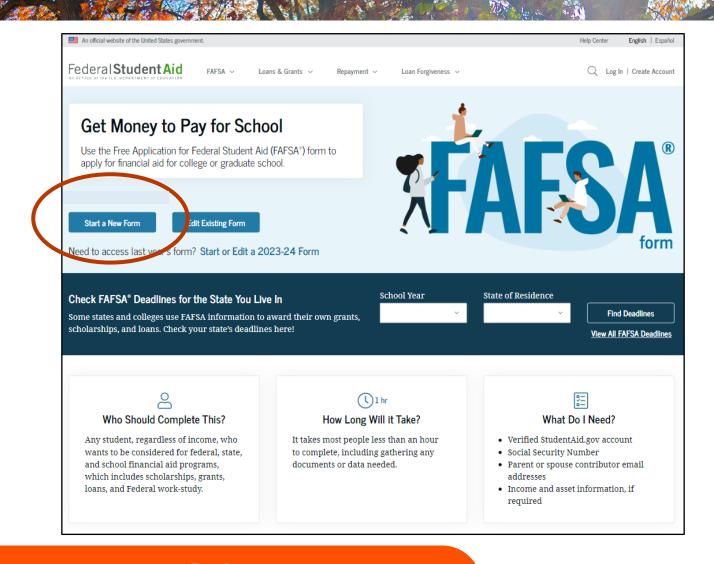
#### What You'll Need

- Social Security number
- Your own mobile phone number and/or email address



Start a New Form once the FAFSA opens in December!

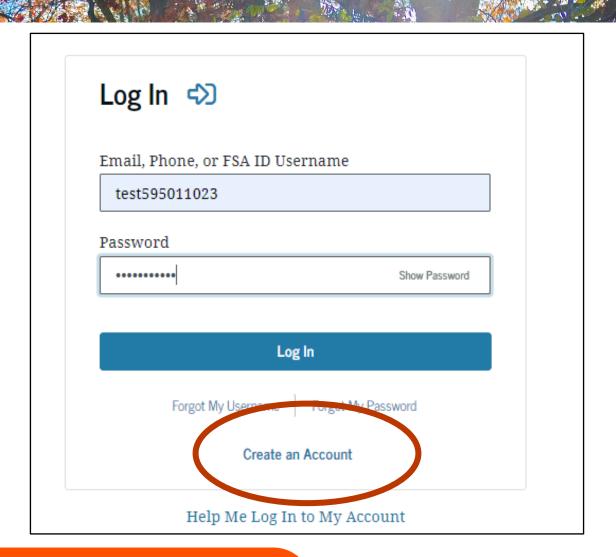
This is typically started by the Student





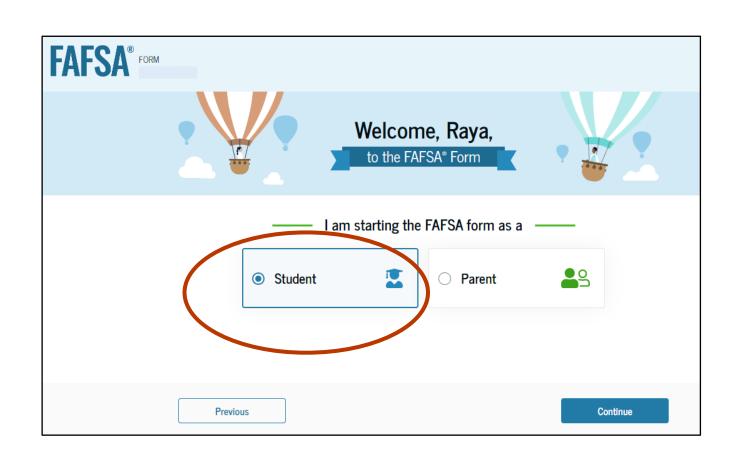
The Student logs in with their Username and Password

Or – If they don't have a Username & Password then they click on "Create Account"

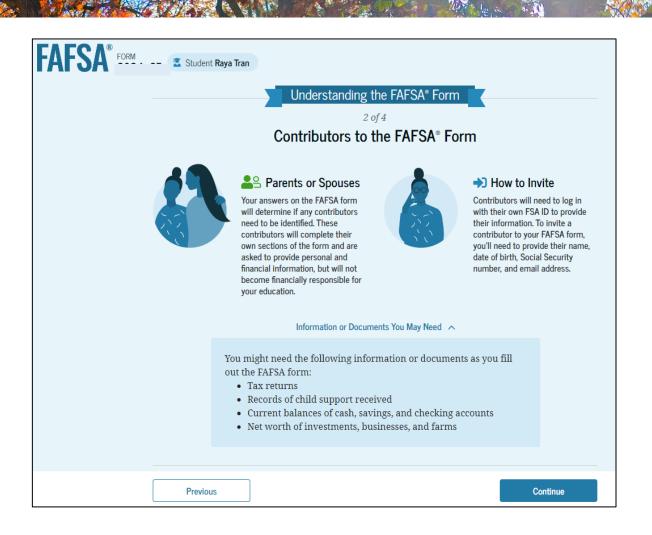




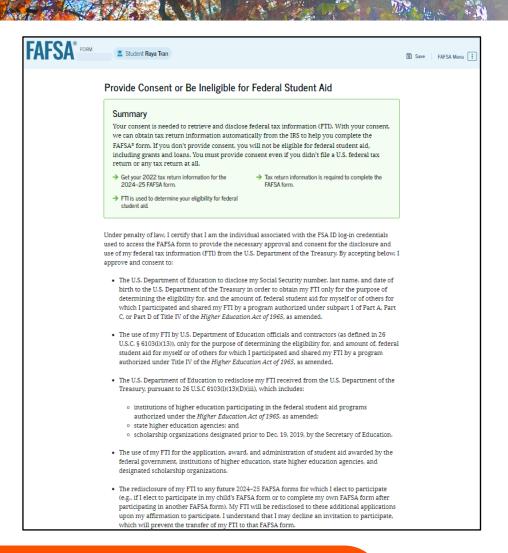
After logging in, the student can select "Student" as their applicable role



Onboarding process has 4 pages



By providing consent, the student's federal tax information is transferred directly into the FAFSA form from the IRS.



### Circumstances that Determine Contributors

- ☐ Born before 1/1/2002
- Married
- □ Working on Master's or Doctorate program
- ☐ Serving active duty in US Armed Forces (not for training)
- □ Veteran of US Armed Forces
- ☐ Provides over 50% for other dependent that lives with student

- ☐ Provides over 50% support for child
- ☐ At age 13 or older, both parents were deceased, were in foster care, or dependent/ward of court
- ☐ Emancipated minor as determined by court (not same as emancipated minor in divorce decree)
- ☐ In legal guardianship as determined by court
- ☐ On or after 7/1/2024, determined to be an unaccompanied youth who was homeless or at risk of being homeless

If you answer **YES** to at least one of the dependency questions: **Independent**, provide information about student and spouse (if married)

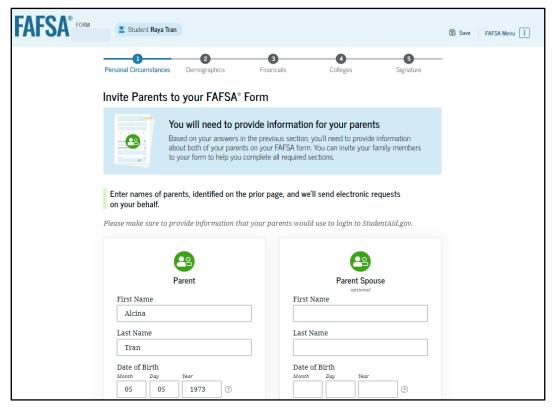
If **NO** to all dependency questions: **Dependent**, must provide information about Student and Parent

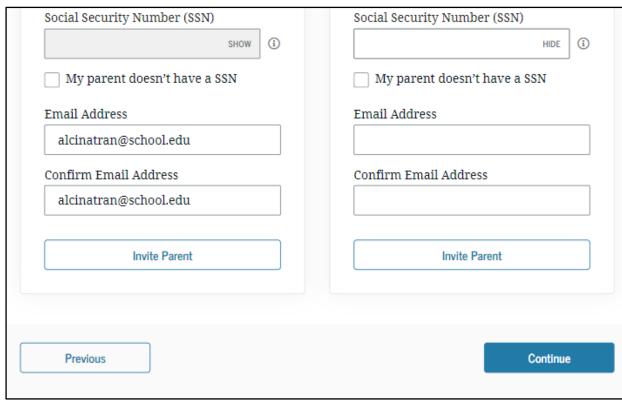


### Who is considered a contributor?

- Student's legal parents
  - Both live in the same house = both income info
- Separated/Divorced
  - Parent who provided more financial support in the last 12 months
  - Include step-parent info if parent is remarried and lives in the same household

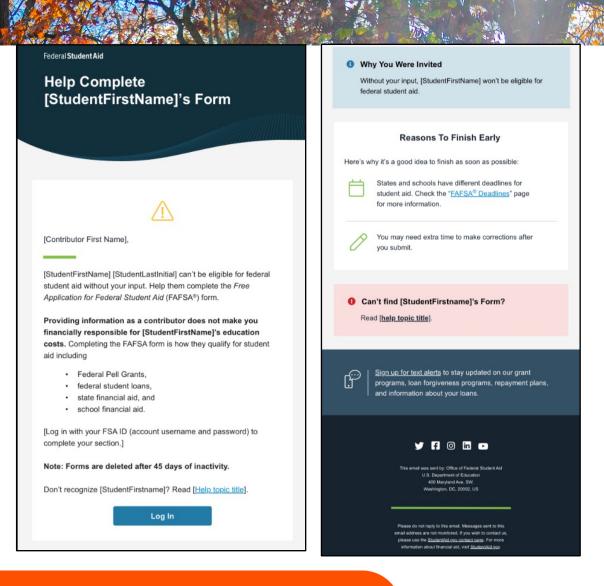
### How to invite contributors to complete the FAFSA







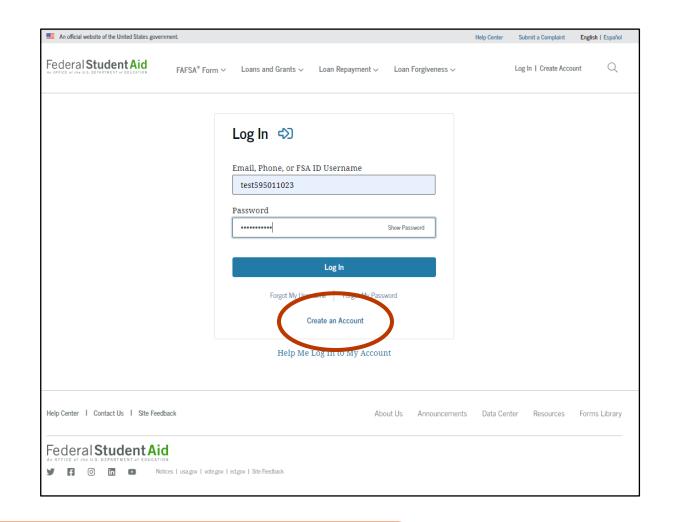
Contributor
(Parent) receives
an email invitation,
then "Logs in"



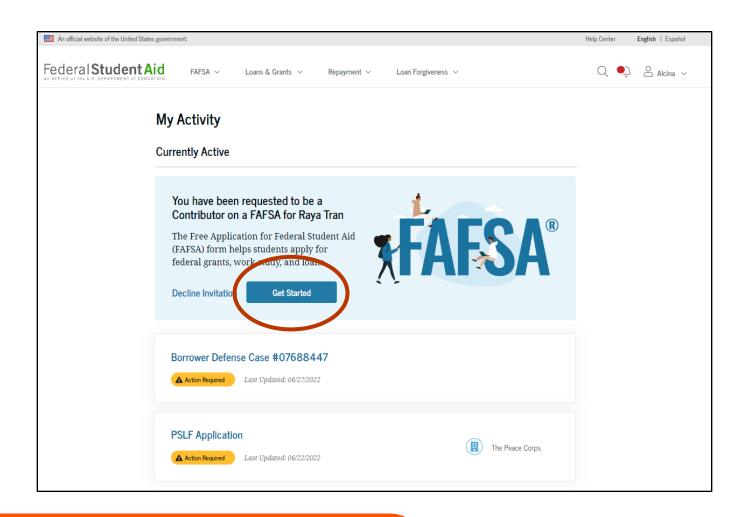


The Contributor logs in with their Username and Password

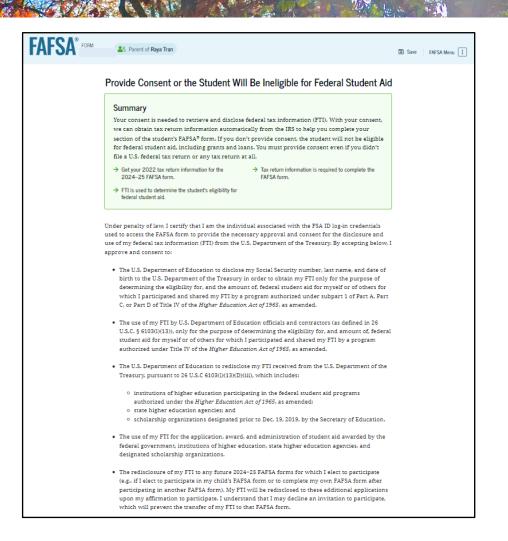
Or – If they don't have a Username & Password then they click on "Create Account"



After successfully logging in, the parent is taken to their "My Activity" page. The parent sees an invitation to be a contributor on the student's FAFSA form.



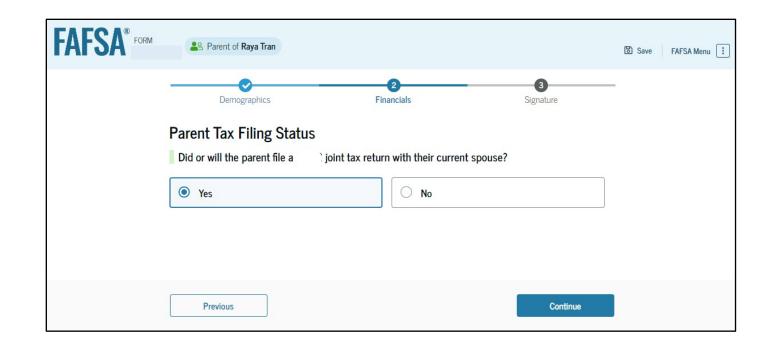
By providing consent, the contributor's federal tax information is transferred directly into the FAFSA form from the IRS.





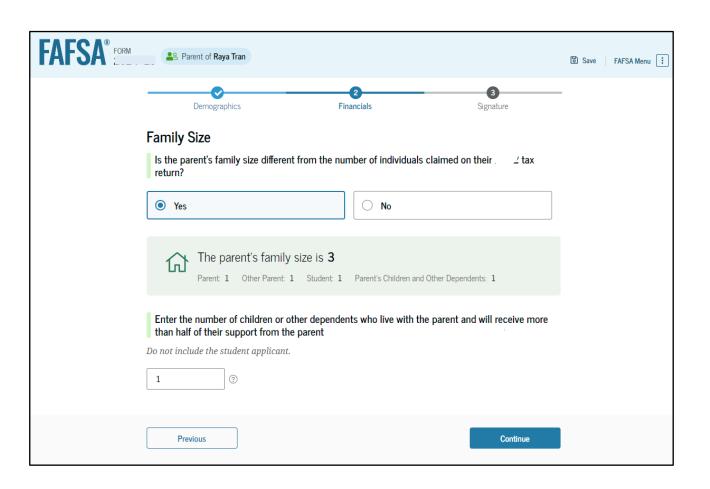
Contributors will be asked about their tax filing status.

"Did or will the parent file a 2023 joint tax return with their current spouse?"





This page asks the parent if their family size has changed.





### Additional FAFSA Questions

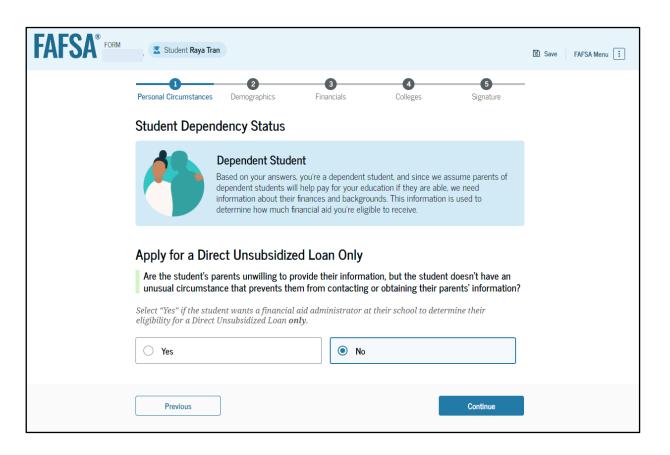
- Some Demographic questions
  - Race/Ethnicity not shared with college/universities, just data collection
- High School Information
- Up to 20 colleges/universities can be listed



### Assets/Investments – student and parent

- Cash/Savings/Checking
- Child Support Received
- Investments / Business / Farm Value
  - Current/market value minus debt = <u>Net Worth</u>
  - Real estate (<u>not</u> home you live in), trust funds, money market and mutual funds, CD's, stocks, bonds
  - Education benefits/savings accounts (Coverdell, 529, refund value of prepaid tuition plans)
    - Asset of the parent not student
    - Must include value of ALL accounts owned by parent
- Investments <u>NOT</u> included
  - Value of primary residence you live on
  - Traditional Retirement Plans (401k, pension funds, annuities, non-education IRAs, Keogh plans)

If parents are unwilling to provide information, then students can apply for a Federal Direct Unsubsidized Loan



### Common Errors and Tips

- Create a studentaid.gov account (FSA ID) now before the FAFSA opens!
- Make sure SSN number and name are exactly the same as SS card
- Make sure to complete the 2025-2026 FAFSA form 2024-2025 will still be available
- Highly recommend the student start the FAFSA and invite the parent contributor(s)
- Manually enter the Family Size don't leave this blank
- Make sure you know whether you filed a 2023 federal tax return
- 2025-26 PLUS application opens around May so don't apply too early as the application doesn't roll over to the 2025-26 academic year until around that time

### Student Aid Index (SAI)

- Student Aid Index (SAI) replaces Expected Family Contribution (EFC)
- Students will receive a FAFSA Submission Summary once the FAFSA is submitted
- Creates levels of financial need
- Federal poverty level thresholds will be used for eligibility
- Allows for negative SAI up to as low as -\$1500



# Cost of Attendance

- Tuition and Fees
- The cost of housing and food (living expenses)
- Cost of books, supplies, transportation, etc.
- Loan fees and miscellaneous expenses



### Types of Financial Aid

- Scholarships Free money awarded based on the student's achievements
- **Grants** Free money awarded based on need
- Loans Borrowed monies repaid typically after graduation
- Work Money earned through employment



### Scholarships

#### **Search locally:**

- High School Guidance Counselors
- Chamber of Commerce
- Public Library

## At every college you want to attend:

- University Website
- Financial Aid Office
- Admissions Office



#### **Personal Affiliations:**

- Churches
- Fraternal Organizations
- Employers (student and parent)

#### Free, national searches:

- fastweb.com
- Scholarships.com

### Applying for Scholarships

- Start early and search year round
- Complete each application carefully
- Be aware of deadlines (submitted by, received by)
- If an essay is required or even optional, do it!
- Apply even if you think it's a long-shot
- Spend the time, not money. If it sounds too good to be true, it probably is!

### Grants

- Federal Pell Grant | 2024-25 academic year
  - Award amount up to \$7,395
  - Determined by Adjusted Gross Income and Poverty Levels or SAI
- Supplemental Educational Opportunity Grant (SEOG)
  - \$100-\$4,000 for eligible students
- Ohio College Opportunity Grant | 2024-25 academic year
  - \$4,000 for Ohio residents at most public university main campuses
- TEACH Grant
  - Up to \$3,772 per year, specific majors are eligible
- Institution specific



### Federal Work Study (FWS)

- Does not reduce bill owed to college
- Employment may be on or off campus
- Not counted as income on future FAFSA
- Each school has their own priority deadline
- Your student will receive a normal paycheck and earn the same amount as other students on campus



### Federal Direct Student Loans

- Direct Subsidized Loan No interest accrues while in school
- Direct Unsubsidized Loan Student pays interest while in school or allows it to accrue
- 6-month grace period before repayment
- Interest Rates
  - 6.53% for the 24-25 aid year
- Can reduce or decline these loans



### Federal Direct Student Loans

Class Year	Base (Subsidized) Amount	Additional Unsubsidized Amount	Total Available to Borrow
Freshman	\$3,500	\$2,000	\$5,500
Sophomore	\$4,500	\$2,000	\$6,500
Junior	\$5,500	\$2,000	\$7,500
Senior	\$5,500	\$2,000	\$7,500

Parent Plus Loan	Vs.	Private Loan
Parent is the borrower	Borrower	Student is the borrower
Required	Credit Check	Required – May need a co-signer
Fixed (9.08% for 24-25 aid year)	Interest Rates	Variable or fixed interest rates
60 days after loan fully disbursed	Repayment	Varies
Requires application by parent at studentaid.gov	How to Apply	Varies by lender/school



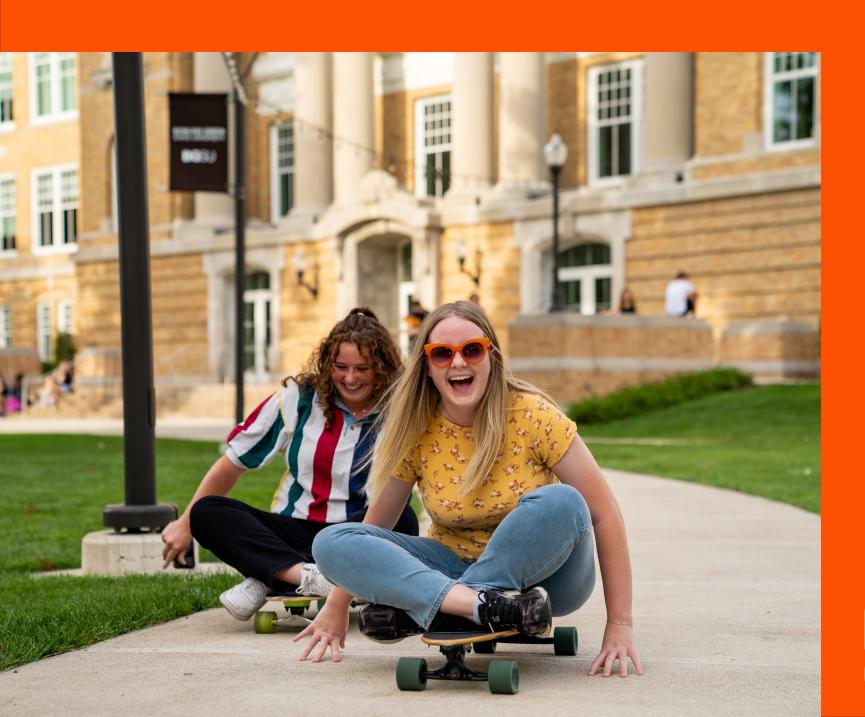
### Other Funding Options

- Job while in school
- Graduation money
- 529 plan
- College/University payment plan
- Military



### Financial Aid Offers

- Timing will vary on when students will receive these
- Compare offers:
  - Amount of aid vs. cost of attendance
  - Gift money vs. borrowed money
  - Types of loans



# Questions

Recommend contacting school student plans to attend

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