

# FINANCIAL AID



ARE YOU READY?



# Acronym Fun



- CFNC College Foundation of North Carolina
- FAFSA Free Application for Federal Student Aid
- EFC Expected Family Contribution
- PLUS Parent Loan for Undergraduate Students

# Bonus Question



**What school and in what year was the first recorded offering of financial aid?**

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**In 1643 Lady Anne Radcliffe Mowlson established the first scholarship at Harvard University.**

# COST OF ATTENDANCE



- **Tuition and Fees**
- **Room and Board**
- **Books & Supplies**
- **Incidentals**

# What is Financial Aid?



**Resources from college, federal, state, and outside programs that are used to offset college costs.**



# General Types of Aid



- **Gift Aid**
  - Grants**
  - Scholarships**
- **Self-help Aid**
  - Loans**
  - Work Study**

# What is Financial Aid Based On?



- **Merit**
- **Need-Based**



# Who offers Aid?



- **Colleges and Universities**
- **Federal Government**
- **State Government**
- **Outside Aid Programs**

# Typical College Aid Programs:



- **Need Based Grants**
- **Endowed Grants and Scholarships**
- **Academic/Athletic Scholarships**
- **Special Talent Scholarships**
- **Loan Programs**
- **College Work Programs**

# Federal Aid Programs



- **Federal Pell Grant**
- **Federal Supplemental Grant**
- **Federal Work-Study**
- **Federal TEACH Grant/Loan**
- **Federal Direct Subsidized Loan**
- **Federal Direct Unsubsidized Loan**
- **Federal Parent Loans (PLUS)**

# Federal Teach Grant/Loan



- **Teach in a high need area:**
  - Bilingual Education and English Language Acquisition
  - Foreign Language
  - Mathematics
  - Reading Specialist
  - Science
  - Special Education
- **Teach in a school that serves low-income students.**

# Federal Loan Programs Details



- Federal Direct Subsidized and Unsubsidized Loans
  - Undergrad Interest rate 5.5% for 2018-19
  - Subsidized – deferred interest
  - Unsubsidized – **not** differed interest
- Federal Direct PLUS Loans
  - Interest rate 7.6% for 2018-19
  - Parents of dependent students
  - Can borrow up to cost of attendance

# North Carolina Aid Programs



- **NC Community College Grant**
- **UNC Need-Based Grant**
- **NC Education Lottery Scholarship**
- **NC Need-Based Scholarship**
- **Forgivable Education Loan for Service**

# Other Funding Options



- **Veterans/Military Programs**
- **Private Alternative Loans for students**  
*Last resort--Always apply for federal loans first!*
- **College Payment Plans**
- **Tax credits--Hope and Lifelong Learning**
- **Outside Scholarships/Aid Programs**

# Outside Aid Programs



- **Outside Agencies**
- **Local organizations**
- **Churches**
- **Civic Groups**
- **Parents' employers**
- **Veterans Administration**



# How do I Apply?



- **File the Free Application for Federal Student Aid (FAFSA)**
- **Some Colleges Require the CSS/Financial Aid Profile to apply for non-federal aid.**
- **Some Colleges Require Separate Aid Application**

# How do I Apply?

(Depends on the source)



Aid Programs	FAFSA	CSS Profile	Separate Application/ Process
Colleges & Universities	All	Some	Some
Federal	All	None	None
State	Most	None	Some
Outside	Seldom	Seldom	Yes

# When do I Apply?



- **FAFSA Form – After October 1.**
- **CSS/Financial Aid Profile (After October)**
- **Outside Agencies (check deadlines)**

# Complete the CSS/ Financial Aid Profile



- **The CSS/ Financial Profile must be completed online at [www.collegeboard.com](http://www.collegeboard.com)**
- **Click on Paying for College, then click on CSS/Profile**

# Completing the FAFSA



- Online at [www.fafsa.gov](http://www.fafsa.gov)
- FSA ID for both, one parent and student

# Eligibility for Federal Financial Aid

- **Demonstrate need**
- **High School Diploma**
- **Enrolled in eligible program**
- **U.S. Citizen**
- **Valid Social Security #**
- **Complete a FAFSA**
- **If Male must Register with Selective Service**
- **No recent conviction for illegal drugs while receiving federal aid**

# FAFSA on the Web's Homepage

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



About Us



FSA ID



StudentAid.gov



Help

SEARCH

English

Español

## Get help paying for college

Submit a Free Application for Federal Student Aid (FAFSA)



### New to the FAFSA?

Start A New  
FAFSA

### Returning User?

- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

Login

### Deadlines

Information about your deadlines.

### School Code Search

Find your college's school code. Also find detailed information about your college.

### FAFSA Filing Options

Learn about the other options for filing your FAFSA.

### Announcements

- If you have questions about the FSA ID, you can find the answers to frequently asked questions [here](#). If you need assistance logging in with your FSA ID, contact us at 1-800-557-7394.
- The Federal Student Aid PIN was replaced with the [FSA ID](#)

### Thinking About College?



Use *FAFSA4caster* to see how federal student aid can help you pay for college!

# Before Completing Your FAFSA



- **Net Price Calculators** – each school has one
- **Check each college’s financial aid deadlines**
- **FAFSA 4Caster** [fafsa4Caster.ed.gov](http://fafsa4Caster.ed.gov)
- **Gather Tax documents and information**
  - Get your taxes done before March, if possible!
- **Register for a FSA ID** [fsaid.ed.gov](http://fsaid.ed.gov)
  - Student and parent have separate FSA ID’s
  - Used to “Electronically sign” FAFSA and Federal Loan Forms
- **Complete FAFSA on the Web Worksheet**



# Who Completes the FAFSA



- The Student
- The Parents (Natural and Legally adoptive)

# When are Parents required to complete the FAFSA?



If the student is under the age of 24\*

\* A few narrow exceptions do apply

# Who Are Considered Parents on the FAFSA?



- Parents living and married to each other
- Parent widowed or single
- If Parents are divorced or separated—answer questions for parent with whom student lived more during past 12 months
  - If student lived with each parent exactly the same amount of time, answer for the parent who provided more financial support during the past 12 months or during the most recent year that the student actually received support from a parent
- If parent remarried, answer about that parent and the person whom parent married (step-parent)

# Who Are NOT Considered Parents on the FAFSA?



- Foster parents
- Legal guardians who have not adopted the student
- Relatives, such as grandparents, who have not adopted the student
- Step-parents who have not adopted the student and the natural parent in the household is deceased. Must use remaining biological/adoptive parent, if any.

# Some Information Requested on the FAFSA



- Adjusted Gross Income
- Untaxed Income
- Federal Tax Paid (not withheld)
- Child Support paid by parents
- Child Support received
- Cash, Saving and Checking
- Assets/Investments (excluding home equity)
- Number of Family Members in the Household
- Number of children attending college

# IRS Data Retrieval Tool



- To use the Tool, must have:
  - A valid Social Security Number **and**
  - Filed a prior year's federal tax return
  - The exact street address used on the tax return!
- Questions on FAFSA helps determine if you can use it
- IRS Data Retrieval Process meets verification requirement and is a Secure and FAST option for families.

# IRS Data Retrieval Tool (within FAFSA)



- When is it available ?
  - Within several days for electronic tax filers
  - Within several weeks for paper tax filers
- Available to those who have filed taxes and now are:
  - Completing the FAFSA
  - Correcting their FAFSA (updating with IRS data)
- Does not apply to
  - Married but are filing separately
  - Filing status is Head of Household
  - Marital status changed after 12/31/15
  - Those filing amended or foreign tax returns

# Need Help?

## FAFSA Day 2018



- **FAFSA Day** - FREE help completing your FAFSA from college financial aid officers at specified NC locations across the state.
- **When? – Usually a Saturday in early Nov.**
  - Any time between 9 a.m. and noon in most locations
- Visit **CFNC.org/fafsaday** or call toll-free at 866-866-CFNC (2362) to:
  - Learn more
  - Find closest location
  - Register for FAFSA Day
- **Sponsored by:**
  - College Foundation of North Carolina
  - North Carolina Association of Student Financial Aid Administrators
  - State Employees Credit Union



# What happens after I file the FAFSA?



1. **Student Aid Report-** report of the data submitted
2. Each school listed on the FAFSA in about three days receives an electronic version of the Student Aid Report.
3. Individual College Aid offices may require more information like tax returns, Forms W2's etc. to qualify for aid. This process is called "verification".
4. Receive **financial aid notification** (award letter)

# Student Aid Report



- Student Aid Report (SAR) is the results you will receive after the FAFSA is processed.
- Allows you to check your answers
- This report will tell you the Expected Family Contribution (EFC)
- Check your SAR to see if you have sent this report to the Colleges of your choice

# The Financial Aid Notification (Award Letter)



- It presents all eligible aid programs that the family may qualify.
- Sent only to those who are accepted.
- Award letters are typically mailed in the spring.
- Each College's award letter may be different

# After - Financial Aid Notification



- **Contact each individual school with questions**
- **Compare Award Letters**
  - [finaid.org/calculators/awardletter.phtml](http://finaid.org/calculators/awardletter.phtml)
- **Choose school and indicate to that college the aid programs you plan to use**
- **Federal Direct Student Loan process**
  - Loan Counseling
  - Master promissory Note
- **Federal Direct Parent Loan process**
  - Request Direct (must qualify)
  - Obtaining an endorser (if needed)
  - Loan Counseling
  - Master promissory Note
- **Set up payment plans**
- **Notify campus of outside scholarships.**

# Helpful tips



- **Get student involved in the process.**
- **Double check entered SSNs**
- **Begin searching for outside scholarships now!**
- **Develop a student resume**
- **DO NOT PAY for scholarship searches**
- **DO NOT PAY to complete the FAFSA!**
- **Private Colleges are not always more expensive**
- **Explain unusual circumstances to the Financial Office**
- **Meet earliest deadline of colleges in which you are interested**
- **Provide all information requested**
- **Complete all questions accurately**
- **Estimate if necessary to meet early deadlines**
- **Don't wait until you are admitted to file the FAFSA**
- **Keep a photocopy of all documents for your records**

# Additional Information



- **College Foundation of North Carolina**  
[cfnc.org](http://cfnc.org)
- **Additional scholarship information**
  - [fastweb.com](http://fastweb.com)
  - [Bigfuture.collegeboard.org/scholarship-search](http://Bigfuture.collegeboard.org/scholarship-search)
- **A helpful financial aid web site**  
[finaid.org](http://finaid.org)