

Understanding the Financial Aid Process

WAUWATOSA WEST HIGH SCHOOL
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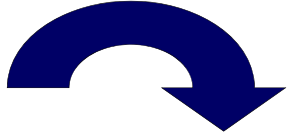
Agenda

- > History and Philosophy of Federal Financial Aid Programs
- > College Choice
- > Key Concepts
- > Completing the FAFSA
- > Types of Aid
- > Comparing Aid Offers
- > Resources

History and Philosophy

- > Students and their family(ies) have the primary responsibility to pay for college.
- > Sacrifice is assumed.
- > Financial aid assessment is NOT a cash flow analysis but rather an evaluation of an individual family's economic strength.
- > The contribution is determined by a standard formula that assesses a family's ability to pay.
- > A way to evaluate a family's ability to pay for educational expenses that is equitable and consistent while recognizing that special circumstances can and do alter a family's ability to pay.
- > Willingness to pay is not a factor.

*Financial aid
helps bridge the gap
between the cost of education and
what the family can pay.*



College Choice must be Rational

- College or University in everyone's price range
- Don't be distracted by brand names
- Fit
 - Academic, Social and Financial

Key Concepts

- Cost of Attendance – COA
- Expected Family Contribution – EFC
- Demonstrated Financial Need – Need

Forms

Forms

- FAFSA
 - Free
 - Required at all Schools
 - Perceived difficulty
- CSS Profile
 - Fee and Fee Waivers
 - Utilized to award Institutional Aid at more selective private institutions
- Institutional Form

Formula

Process for assessing a family's ability to contribute toward post secondary education is called:

Needs Analysis

- Begins with completing the FAFSA
- Results in an EFC
 - Eligibility Index
 - Rationing tool
 - Family Share

EFC

- Income
- Assets
- Family Size
- Age of the Older Parent
- Number of Dependent Children enrolled in College

COA

- Tuition*
- Room and Meals*
- Fees*
- Books and Supplies
- Travel to School
- Personal and Miscellaneous expenses

*Direct Cost typically paid to the college or university

Determining Financial Need



Examples of Financial Need

Public College

Cost \$ 25,290
 EFC -\$10,000
 Need \$ 15,290

Private College

Cost \$50,900
 EFC -\$10,000
 Need \$40,900

Source: The College Board
Average Estimated Budgets, 2017-18

Completing the FAFSA

To complete the FAFSA you will need to:

- > Apply for a FSA ID
 - > **Email addresses associated with FSA ID accounts must be unique.**
- > Parent(s) must have his/her own FSA ID.
- > FSA ID serves as electronic signatures for the FAFSA and promissory notes

fsaid.ed.gov

Completing the FAFSA

- > Gather your and your parent's 2017 Federal tax information
- > The FAFSA is student specific.
- > Select the appropriate school year
- > Complete all sections about you, your school plans and the financial information (use the IRS Data Retrieval Tool).
- > List your school code(s). You may list up to 10 schools on the electronic FAFSA.
- > Provide electronic signatures (FSA IDs)
- > Submit your information
- > Keep copies for your records

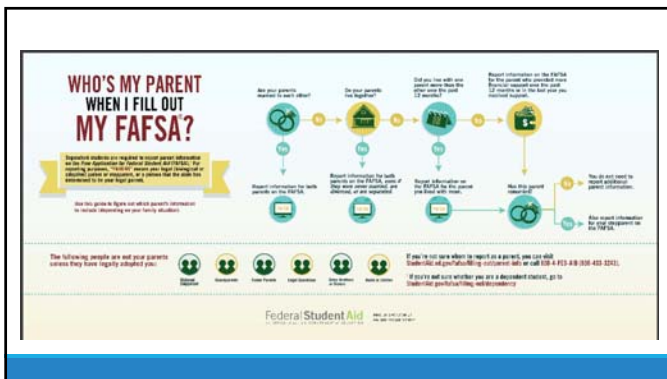
www.FAFSA.gov



Completing the FAFSA

Points to Remember:

- The earliest you may file the FAFSA for the 2019-2020 school year
October 1, 2018.
- Check with the colleges where you plan to apply for deadlines and institutional requirements
- Link to the IRS data Retrieval Tool
- Your student must re-apply for aid every year.
- Dependency Status
- Who is considered a parent?



Completing the FAFSA

Here's what happens after you file:

- Your EFC is calculated
- Results are sent electronically to the college(s) you selected.
- You will receive a Student Aid Report (SAR).
- If you have extraordinary circumstances notify the Financial Aid Office.
- After you are admitted to a college, a financial aid award will be sent to you.
- You may be required to verify the information submitted on your FAFSA
 - Using the IRS Data Retrieval Tool will simplify the process
 - Non-Tax Filers must provide W-2s and IRS Verification of non-filing (Does not apply to Dependent Students)

Types of Aid

- Gift Aid
 - Scholarships
 - Grants
- Self Help
 - Student Employment
 - Loans

Scholarships

Merit-based

- Academic
- Talent
- Athletic
- Service
- ROTC

Private:

Fastweb fastweb.com/

BigFuture bigfuture.collegeboard.org/scholarship-search

Grants

Need-based

Federal Grants

- Pell
- SEOG
- TEACH

State Grants

- Wisconsin Grant

Institutional Grants

Employment

Two Types:

- > Federal Work Study
- > Regular Campus Employment

- > Can be used for personal expenses
- > Does not adversely affect grades

Student Loans

Federal Stafford
Subsidized
Unsubsidized
(anyone can borrow)

Freshmen - \$3500
Sophomores - \$4500
Juniors/Seniors - \$5500
Additional Unsub \$2000/year

6 month Grace Period
10 year Standard Repayment

Other Options

- > Parent PLUS Loan
- > Student Alternative Loans – Private Lenders
- > Private Scholarships
 - > Must be reported to the school
- > Payment Plan
- > Tax Credits
- > 529 Plans

Comparing Financial Aid Offers

School Information	Public (In State)	Public (Out of State)	Private (FAFSA and CSS PROFILE meets need)	Private (FAFSA only – does not meet need)
Total Cost of Attendance	\$25,290	\$40,940	\$50,900	\$50,900
EFC (Family Share)				
FAFSA	\$3,500	\$3,500	\$3,500	\$3,500
CSS PROFILE	-	-	\$4,100	-
Grants and Scholarships				
Federal Pell Grant	\$2,645	\$2,645	\$2,645	\$2,645
Other Federal & State Grants	\$4,720	\$0	\$3,000	\$3,000
University Scholarships & Grants	\$2,425	\$5,500	\$41,155	\$25,000
Total Gift Aid	\$9,790	\$8,145	\$46,800	\$30,645
Net Price	\$15,500	\$32,795	\$4,100	\$20,255

Comparing Financial Aid Offers

Comparison, continued	Public (In State)	Public (Out of State)	Private (FAFSA and CSS PROFILE meets need)	Private (FAFSA only – does not meet need)
Net Price	\$15,500	\$32,795	\$4,100	\$20,255
Loan Options (Borrowed)				
Federal Direct Loan (subsidized)	\$3,500	\$3,500	\$600	\$3,500
Federal Direct Loan (unsubsidized)	\$2,000	\$2,000	\$3,500	\$2,000
Total Loans	\$5,500	\$5,500	\$4,100	\$5,500
Student's Out of Pocket Cost (Net Price less Total Loans)	\$10,000	\$27,295	\$0	\$14,755

Resources

- > Net Price Calculators
 - > Early Financial Aid Estimation Tool
 - > On every College Website
 - > Cost –Grants & Scholarships = Net Price
- > Websites
 - > studentaid.ed.gov
 - > consumerfinance.gov/paying-for-college
 - > bigfuture.collegeboard.org

Resources

- > Websites cont.
- College Cost Comparison Tools
 - > nces.ed.gov/collegenavigator/
 - > bigfuture.collegeboard.org/compare-colleges
 - > consumerfinance.gov/paying-for-college/compare-financial-aid-and-college-cost/
- Award Letter Comparison Tools
 - > bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator

Resources

- Websites Cont.
- Scholarship Search Engines
 - > fastweb.com
 - > bigfuture.collegeboard.org/scholarship-search
- College Goal Wisconsin
 - > 43 scheduled events around the state
 - > October 3, 8,10,15,17, 22, 24, & 29, 2018
 - > November 5, 7 & 8, 2018
 - > Free assistance with completing the paper or on-line FAFSA
 - > collegegoalwi.org

Additional Information

Marquette University
Office of Student Financial Aid
414.288.4000

marquettecentral@marquette.edu
Website: www.marquette.edu/mucentral
