

Planning for the Cost of Higher Education

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Financial Aid 101

Agenda

Step I: Preparing

CSS/Financial
Aid PROFILE®

Step II: Applying

FAFSA
U.S. DEPARTMENT OF EDUCATION
FEDERAL STUDENT AID

Step III: Deciding

Step IV: Following-up



Financial Aid 101 - Step I: Preparing

Learn About Financial Aid

- *Financial Aid Nights*
- *Internet*
- *Family and Friends*
- *Schools*

<http://studentaid.ed.gov>

<http://www.finaid.org>

<http://www.studentloans.gov>

Key Concepts

- *Cost of Attendance (Budget)*
- *Expected Family Contribution (EFC)*
- *Need Level*
- *Professional Judgment*

Financial Aid 101 - Step I: Preparing

Sticker Shock?

New York State College Costs:

- **Private - \$52,780**

*College Board Trends in College Pricing 2016

- **SUNY - \$25,160**

*SUNY Office of Student Financial Aid, System Administration

- **Community College - \$19,400 (On-Campus)**

*SUNY Office of Student Financial Aid, System Administration

- **Community College - \$13,140 (Commuter)**

*SUNY Office of Student Financial Aid, System Administration

Can you afford a \$47,000 Parent Loan?

Can you afford a \$7,500 Parent Loan?

Financial Aid 101 - Step I: Preparing

Academic Goals and Financial Aid

- How long will you be in college?
- What type of income can you expect after you finish college?
- Is it a worthwhile investment?

High School Graduate

40 years of work: ~ \$1,370,000

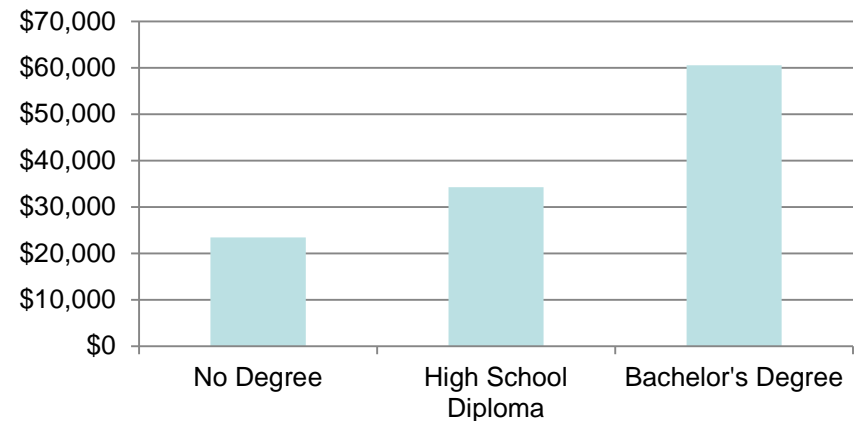
College Graduate

36 years of work: ~ \$2,180,000

Maximum College Expense: ~ \$200,000

Net Advantage of a College Degree: \$610,000

2011 SYNTHETIC WORKLIFE
EARNINGS BY EDUCATION



U.S. Census Bureau

<http://www.census.gov/hhes/socdemo/education/index.html>

Financial Aid 101 - Step I: Preparing

Where is Your Money?

Included (Students and Parents)

- Non-Retirement Investments
- Cash, Savings, Checking
- Business Net Worth
- Real Estate Net Worth

Not Included

- Retirement Investments
- Value of Home
- Value of Car
- Resident Farm

Financial Aid 101 - Step I: Preparing

529 College Savings Plans

Benefits

- Provide federal and state tax benefits
- Potentially lower fee costs relative to other investment options
- Allow multiple plans for same child
- Can be used for most college expenses



<https://www.nysaves.org>

Factors to Consider

- Reported as an asset on aid application
- Penalties if used for non-education expenses

Financial Aid 101 - Step I: Preparing

Get an Estimate

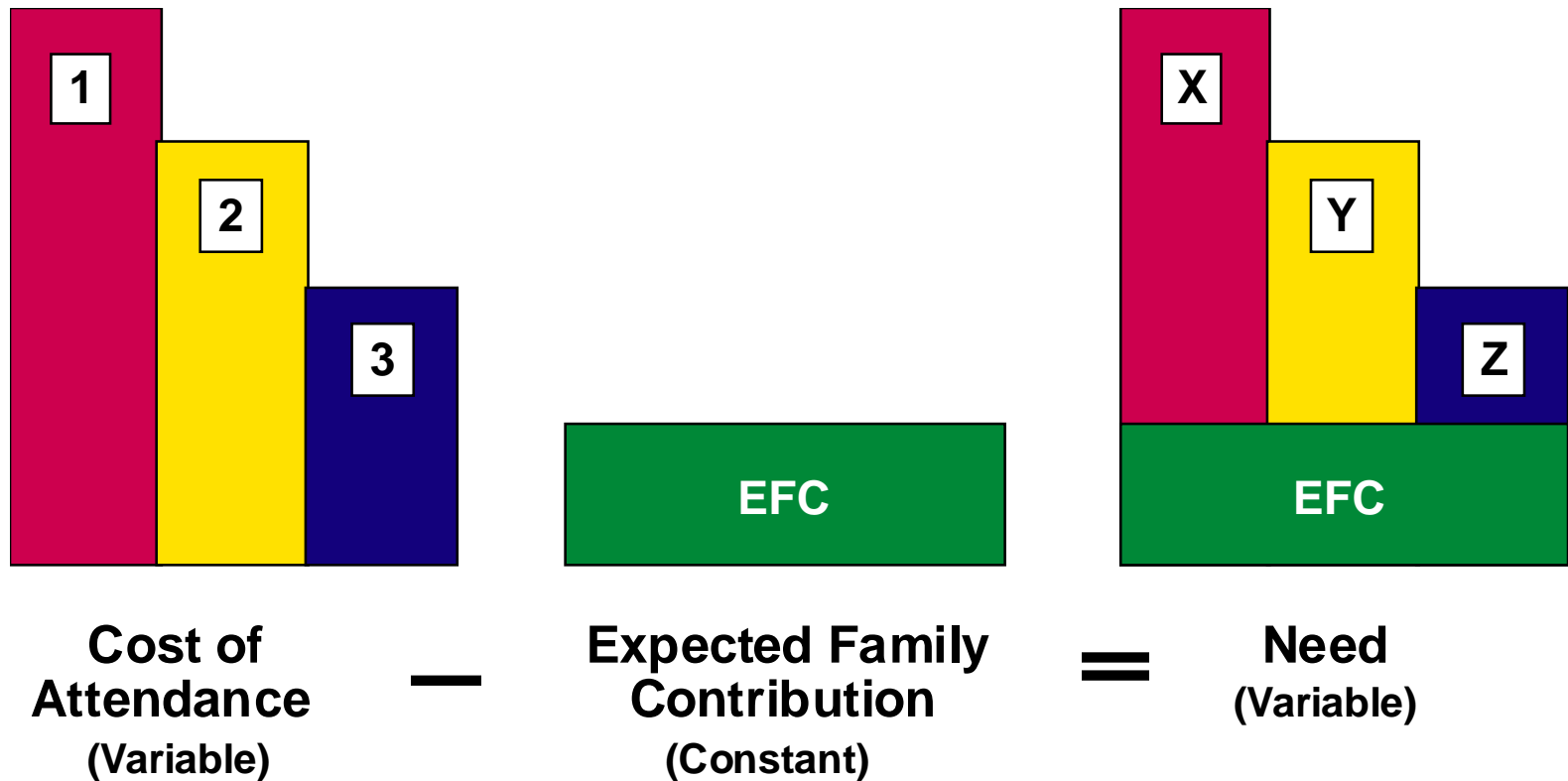
- https://fafsa.ed.gov/FAFSA/app/f4cForm?locale=en_EN
- <http://www.finaid.org/calculators>
- <https://bigfuture.collegeboard.org/pay-for-college/tools-calculators>
- <https://www.hesc.ny.gov/pay-for-college/financial-aid/college-net-price-calculator.html>

-OR-

Complete a FAFSA

Financial Aid 101 - Step I: Preparing

Need Formula



Financial Aid 101 - Step II: Applying

Free Application for Federal Student Aid (FAFSA)

- **Online at <http://www.fafsa.gov> – October 1st**

A banner for the FAFSA application process. The background is a dark blue gradient with a faint image of a mountain range. The text is white and centered. At the top, it says 'FAFSA®: Apply for Aid' with a horizontal line underneath. Below that, it says 'Use the Free Application for Federal Student Aid (FAFSA®) form to apply for financial aid for college or grad school.' There are two columns of text. The left column is for new users, and the right column is for returning users. Each column has a button at the bottom.

FAFSA®: Apply for Aid

Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or grad school.

NEW TO THE FAFSA® PROCESS?

Completing the FAFSA form is free. Fill it out now.

START HERE >

RETURNING USER?

Correct info • Add a school
View your *Student Aid Report* (SAR)

LOG IN >

- **Paper options available by download**

Financial Aid 101 - Step II: Applying

Prior Prior Year Data

School Year	Tax Data	FAFSA Available
2017-2018	2015	October 1, 2016
2018-2019	2016	October 1, 2017
2019-2020	2017	October 1, 2018
2020-2021	2018	October 1, 2019

Asset and household information based on current date

Financial Aid 101 - Step II: Applying

FSA ID – <https://fsaid.ed.gov>

- 2 FSA IDs Needed
- Can be requested anytime

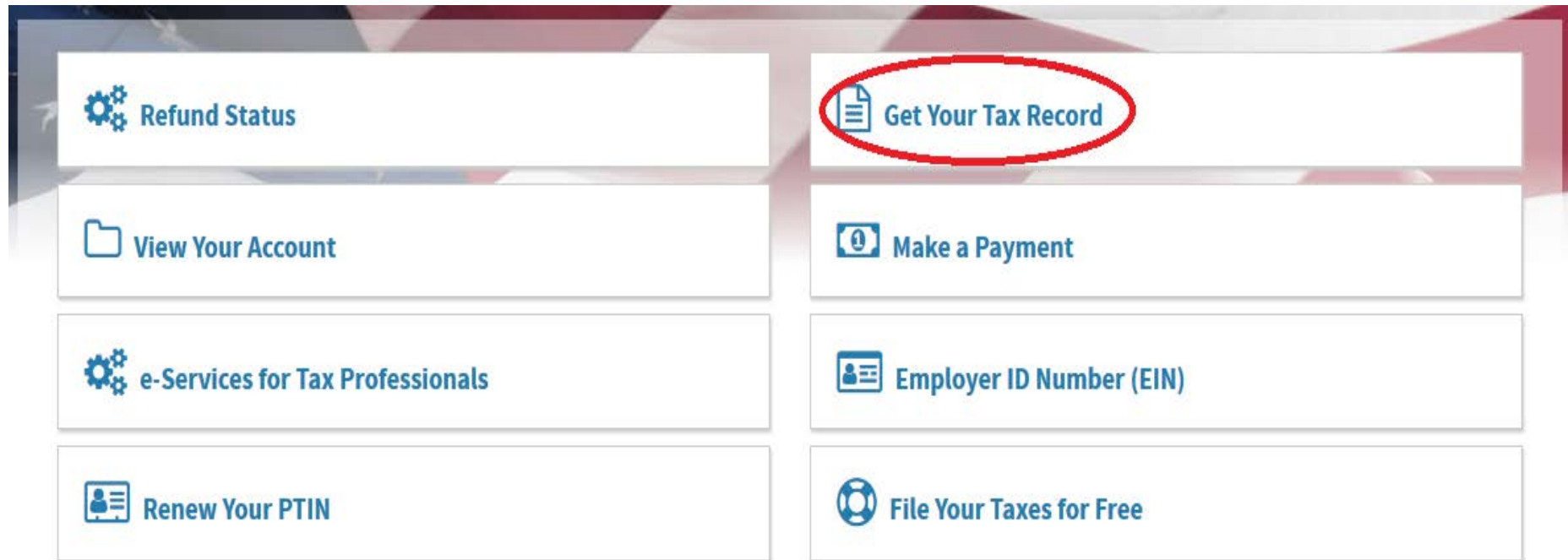
E-mail	<input type="text"/>	?
Confirm E-mail	<input type="text"/>	?
Username *	<input type="text"/>	?
Password *	<input type="password"/>	?
<input checked="" type="checkbox"/> Numbers <input checked="" type="checkbox"/> Uppercase Letters <input checked="" type="checkbox"/> Lowercase Letters <input checked="" type="checkbox"/> Special Characters <input checked="" type="checkbox"/> 8-30 Characters <input type="checkbox"/> Show Text		
Confirm Password *	<input type="password"/>	?
Are you 13 years of age or older? *	<input type="radio"/> I am 13 years of age or older. <input type="radio"/> I am 12 years of age or younger.	?

Financial Aid 101 - Step II: Applying

IRS Tax Return Transcript

<http://www.irs.gov>

1-800-908-9946



Financial Aid 101 - Step II: Applying

Get Transcript Online

What You Need

To register and use this service, you need:

- your [SSN](#), date of birth, filing status and mailing address from latest tax return,
- access to your email account,
- your personal account number from a credit card, mortgage, home equity loan, home equity line of credit or car loan, and
- a mobile phone with your name on the account.

What You Get

- All [transcript types](#) are available online
- View, print or download your transcript
- Username and password to return later

Get Transcript by Mail

What You Need

To use this service, you need your:

- [SSN](#) or [Individual Tax Identification Number \(ITIN\)](#),
- date of birth, and
- mailing address from your latest tax return

What You Get

- Return or Account [transcript types](#) delivered by mail
- Transcripts arrive in **5 to 10 calendar days** at the address we have on file for you

Financial Aid 101 - Step II: Applying

IRS Data Retrieval Tool

- **Must answer tax status questions first**
- **Not all users will have option to use DRT**
- **Do not change tax information after using DRT**

Student Tax Information


☒ Application was successfully saved.

For 2015, have you completed your IRS income tax return or another tax return?

Already completed ▾

For 2015, what is your tax filing status according to your tax return?

Single ▾

 To determine if you can use the IRS Data Retrieval Tool to transfer your tax return information from the IRS into your FAFSA, **answer the following question(s):**

Did you file a Form 1040X amended tax return?

☐ Yes ☒ No

Did you file a Puerto Rican or foreign tax return?

☐ Yes ☒ No

Did you file your taxes electronically in the last 3 weeks (or by mail in the last 11 weeks)?

☐ Yes ☒ No

Based on your response, we recommend that you transfer your information from the IRS into this FAFSA. [How you filed your taxes](#) can affect whether your tax return information is available to transfer.

LINK TO IRS

Financial Aid 101 - Step II: Applying

Express TAP Application (ETA)



- **Online at <https://www.tapweb.org/totw/>**
- **Complete online with FAFSA**
- **Paper version automatically mailed**
- **Establish student PIN**

Financial Aid 101 - Step II: Applying

CSS Profile

- **Online at <https://profileonline.collegeboard.com/index.jsp>**
- **Only if required by the school**
- **Apply as soon as October 1**
- **\$25 application fee**
- **\$16 per school**
- **More in-depth than FAFSA**

CSS/Financial
Aid PROFILE®

Financial Aid 101 - Step II: Applying

Other Application Options

- College specific requirements

- Local funding options

- Online funding options:

- <http://www.fastweb.com>

- <http://www.scholarships.com>

- <https://bigfuture.collegeboard.org/scholarship-search>

- <http://www.upromise.com>



BEWARE OF SCAMS!!!

Financial Aid 101 - Step III: Deciding

Types of Financial Aid

GIFT AID

- Grants
- Scholarships
- Federal/State
- Institutional
- Private

SELF-HELP AID

- Work-Study
- Loans
- Federal
- Institutional
- Private

Financial Aid 101 - Step III: Deciding

Compare Financial Aid Award Offers

<http://www.hesc.ny.gov>

- *How much self-help aid are you willing and able to accept?*
- *Apples to Apples*
- *Scholarship Criteria*
- *Work-Study Amounts*
- *Cost of Attendance = Total Aid Package?*

Financial Aid 101 - Step IV: Following-up

How Do I Get More?

- *Negotiation*
- *Special Circumstances/Professional Judgment*

What Else Should I Do?

- *Compare finance options*
- *Finding a Job*

Financial Aid 101 – Thank You!!!



Don't forget that you can...

- **Download the slideshow from the web address on the handout**
- **Take a business card**
- **Drive home safely and have a great evening**