

Paying for College – the Basics of Financial Aid

2018-2019

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Agenda

- Financial Aid
- Cost of Attendance (COA)
- Expected Family Contribution (EFC)
- Financial Need
- Sources of Financial Aid
- Applying for Financial Aid
- Special Circumstances

Financial Aid

- Grants & Scholarships
 - “Gift Aid”
 - Merit or Need-Based
- Loans & Employment Opportunities
 - “Self-Help Aid”
 - Need or Non-Need Based

Cost of Attendance (COA)

“The Budget”

- Determined by the college or university
- Direct costs
- Indirect costs
- Vary widely from college to college

Cost of Attendance (COA)

- Tuition and Fees
- Room and Board
- Books and Supplies
- Transportation
- Personal Expenses
- computer, travel abroad, child care, etc.

Cost of Attendance Comparison

	Private ¹	Public (SUNY) ²	Community College ²
Tuition & Fees	\$35,530	\$8,310	\$5,240
Room & Board	\$13,300	\$12,810	\$10,380
Books & Supplies	\$1,230	\$1,340	\$1,340
Transportation	\$1,070	\$1,110	\$1,280
Personal	\$1,650	\$1,590	\$1,160
Total	\$52,780	\$25,160	\$19,400

1 – On Campus Student (College Board, Trends in College Pricing 2016, Middle States Averages)

2 – On Campus Student (SUNY Office of Student Financial Aid)

Financial Aid Philosophy

In addition to the various types of aid available, the student and parent(s) are expected to contribute to paying for the overall Cost of Attendance.

Expected Family Contribution

“The EFC”

- Amount family can reasonably be expected to contribute toward college costs
- Calculated by a federal formula using family income, asset, and household size information

Expected Family Contribution

- Stays the same regardless of college
- Two components:
 - Parent Contribution
 - Student Contribution
- Not a bill!!!

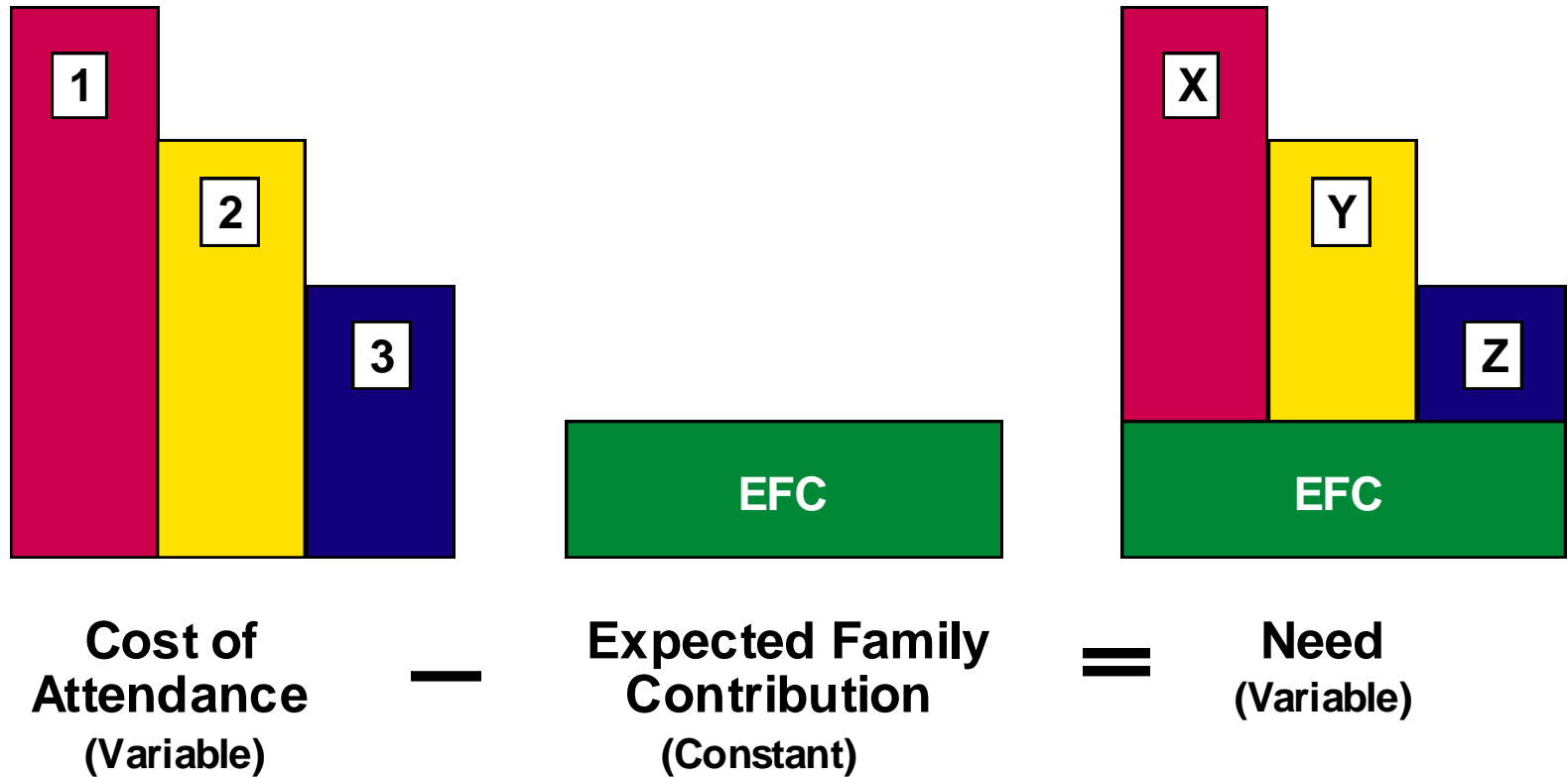
Financial Need

Cost of Attendance

– Expected Family Contribution

= Financial Need

Financial Need



Financial Aid Awarding Philosophy

- Need-Based Aid
 - Awarded up to the student's need level
- Non Need-Based Aid
 - Awarded up to the difference between the cost of attendance and the offered need-based aid

Need-Based Aid - Grants

- Federal Aid
 - Pell Grant
 - FSEOG
 - TEACH
- State Aid
 - TAP
 - NY STEM
 - Excelsior/Enhanced Tuition
- Private & Institutional

Federal Pell & SEOG Grants

- Pell Grant (\$596 - \$5,920)
 - Awarded based on the EFC (\$0 - \$5,328)
 - Entitlement-based aid form
- SEOG (\$100 - \$4,000)
 - Awarded based on need
 - Campus-based aid form

TEACH Grants

- Up to \$4,000 per year (may be reduced)
- For students who intend to teach:
 - a high-need field
 - that serves students of low-income
- Four year service contract
- More information: www.studentaid.ed.gov

NY State Tuition Assistance Program

- New York Resident
- Attend New York College or University
- Award amount based on need and tuition charges (\$500 - \$5,165)
- Requires separate application

NY Science, Technology, Engineering, & Mathematics Scholarship

- New York Resident
- Attend SUNY or CUNY School
- Award amount based on tuition charges minus other state aid (maximum \$6,670)
- Requires separate application

NY Science, Technology, Engineering, & Mathematics Scholarship

- Enrollment in approved program
- Must be in top 10% of high school class
- 5 years employment in NY state in approved field
- Service contract required
- Can become unsubsidized loan

NY State Excelsior Scholarship and Enhanced Tuition Awards

- New York Resident
- Attend SUNY or CUNY School
- Award amount based on tuition charges minus other grants and scholarships (maximum \$6,470 / \$6,000)
- Requires separate application

NY State Excelsior Scholarship and Enhanced Tuition Awards

- Must take at least 12 degree-applicable credits each term
- Must complete at least 30 degree-applicable credits each year
- “Pre-matriculation” credits can be banked for later use

NY State Excelsior Scholarship and Enhanced Tuition Awards

- Student must sign residency contract
- Student must live in NY for number of years equal to number of years grant received
- Employment must be in NY

Outside Grants and Scholarships

- Available from variety of sources
 - online searches
 - high school guidance office
 - local groups and organizations
 - employers

Need-Based Aid - Student Employment

- Federal Work-Study Program
 - Awarded as a grant
 - Allows student to obtain job and work to earn up to the grant amount
 - Paycheck

Self-Help Aid - Federal Loans

- Perkins Loans – Status Pending
 - Need-Based
- Stafford Loans (Direct)
 - Need or Non-Need Based
- Parents (PLUS) Loans (Direct)
 - Non Need-Based

Federal Loans – Perkins?

- \$5,500 maximum for undergraduates
- 5% fixed interest rate
- Subsidized with 9 month grace period
- Repayment period up to 10 years
- Campus-based aid form

Federal Direct Student Loans

- Subsidized or Unsubsidized
- 4.45% fixed interest rate (UG - 2017-2018)
- 6 month repayment grace period
- Repayment period from 10 - 30 years
- One-time Origination Fee of 1.069%

Federal Direct Student Loans

Maximum Amounts:

1st Year: \$5,500 (\$3,500 max. subsidized)

2nd Year: \$6,500 (\$4,500 max. subsidized)

3rd Year: \$7,500 (\$5,500 max. subsidized)

4th Year: \$7,500 (\$5,500 max. subsidized)

Federal Loans - PLUS

Parents Loan for Undergraduate Students

- Fixed Interest Rate: 7.00% (2017-2018)
- One-time Origination Fee of 4.276%

Federal Loans - PLUS

- Repayment begins 60 days after loan is fully disbursed
- Maximum annual amount equal to Cost of Attendance minus all other aid
- Dependent on credit!!! (No adverse credit)

Applying for Financial Aid

- FAFSA (Free Application for Federal Student Aid)
- ETA (Express Tap Application)
- Supplemental & Institutional Applications

FAFSA

- Main federal aid application
- Available in online and paper formats
- Collects income, asset, and household size information
- Apply as soon as possible after October 1
- Use 2016 Tax Return

What You Report – Student and Parent(s)

- Income and Taxes Paid
- Child Support (paid or received)
- Non-Retirement Investments
- Cash, Savings, Checking
- Business/Real Estate Net Worth
- Number in Household and College

What You Don't Report

- Retirement Investments
- Value of Home or Amount of Mortgage
- Value of Car
- Debt
- Resident Farm

Who Counts as a Parent

- Biological Parents Living Together
- Divorced/Separated:
 - Biological parent who provides most support
 - That parent's new spouse, if remarried
- Adoptive Parent(s)

FAFSA - <http://www.fafsa.gov>

Federal Student Aid
AN OFFICE of the U.S. DEPARTMENT of EDUCATION

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the AMERICAN MIND™

FAFSA™
Free Application for Federal Student Aid



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StudentAid.gov



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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

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

IRS Data Import

- Import necessary tax information
- Active “Opt-In” Process
- Highly Recommended!
- Simplifies Verification Process!

IRS Data Import

For 2012, have you completed your IRS income tax return or another tax return?

Already completed 



You may be able to use the [IRS Data Retrieval Tool](#) to view and transfer your tax information from the IRS.

Did you or your spouse file as Married Filing Separately?

☐ Yes ☐ No

Did you or your spouse file as Head of Household?

☐ Yes ☐ No

Did you file an 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 8 weeks)?

☐ Yes ☐ No

PREVIOUS

NEXT

IRS Data Import



Internal Revenue Service
United States Department of the Treasury

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Get My Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.


Enter the following information as it appears on your <2008> Federal Income Tax Return. [?](#)

Required fields*

First Name*	<input type="text" value="Joe"/>
Last Name*	<input type="text" value="Smith"/>
Social Security Number*	*** - ** - 6789
Date of Birth*	<input type="text" value="01"/> / <input type="text" value="04"/> / <input type="text" value="1990"/>
Address* ?	
P.O. Box and/or Street Address	<input type="text"/> <input type="text"/>
Apt. Number (Required if it appears on your tax return)	<input type="text"/>
Country*	<input type="text" value="United States"/> v
City, Town or Post Office*	<input type="text"/>
State/U.S. Territory*	<input type="text" value="Select One"/> v
ZIP Code*	<input type="text"/>
Filing Status*	<input type="text" value="Select One"/> v

By submitting this information, you certify that you are the person identified. Use of this system to access another person's information may result in civil and criminal penalties.

IRS Data Import




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Student 2012 Federal Income Tax Information

The information below is your tax information that will help you answer some of the questions on the FAFSA.

	My Tax Information	FAFSA Question Numbers ?
Tax Year	2012	
Name(s)		
Social Security Number		
Filing Status	Married-Filed Joint Return	
Type of Tax Return Filed	1040A	Question 33 on the FAFSA
Adjusted Gross Income	\$32,376	Question 35 on the FAFSA
Income Earned From Work ?	\$32,376	Your filing status indicates you may need to split this amount and enter it in two places on the FAFSA. Student: Question 38 on the FAFSA and/or Spouse: Question 39 on the FAFSA
Income Tax	\$0	Question 36 on the FAFSA
IRS Exemptions	2	Question 37 on the FAFSA
Education Credits	\$1,288	Question 43a on the FAFSA
IRA Deductions and Payments	\$0	Question 44b on the FAFSA
Tax-Exempt Interest Income	\$0	Question 44d on the FAFSA
Untaxed IRA Distributions ?	\$0	Question 44e on the FAFSA
Untaxed Pensions ?	\$0	Question 44f on the FAFSA

 Print this page for your records before choosing an option below.

Transfer My Tax Information into the FAFSA ?

☒ The tax information provided above will populate the answers to the appropriate FAFSA questions. After the FAFSA is populated your IRS session will end and you will return to your FAFSA. Check this box if you are choosing to transfer your information.

[Transfer Now](#) ?

Do Not Transfer My Tax Information and Return to the FAFSA ?

☐ By clicking the "Do Not Transfer" button, you are choosing not to transfer your tax information electronically. Your IRS session will end and you will return to your FAFSA. You may still use this tax information to input the data into your FAFSA.

[Do Not Transfer](#) ?

Prior–Prior Year Data (PPY)

- Don't forget to use 2016 information!
- Effective 2017-2018 School Year
- FAFSA completed with tax info from PPY
- Asset and household info from current year

Prior–Prior Year Data (PPY)

School Year	Tax Data	FAFSA Available
2015-2016	2014	January 1, 2015
2016-2017	2015	January 1, 2016
2017-2018	2015	October 1, 2016
2018-2019	2016	October 1, 2017

Express Tap Application

www.hesc.com or www.tapweb.org/totw

- Application for NY State Grant Program
- Available in online and paper formats
- Complete with FAFSA

Supplemental & Institutional Applications

- Check with each school for additional requirements
- CSS Profile (College Board)
- Unique Institutional Applications

SUNY Financial Aid Days

- October 14, 2017
- November 18, 2017

Look for more information:

www.suny.edu/studentevents

Application Processing

- FAFSA and TAP results sent to student and all listed colleges
- Colleges create and provide aid packages

Frequent Application Issues

- Social Security Numbers
- Divorced/remarried parental information
- Untaxed income
- U.S. income tax paid

Frequent Application Issues

- Household size
- Number of household members in college
- Real estate and investment net worth
- Dependency Status

Special Circumstances

- Cannot report on FAFSA
- Send explanation to financial aid office at each college
- College will review special circumstances
 - Request additional documentation
 - Decisions are final and cannot be appealed to U.S. Department of Education

Special Circumstances

- Change in employment status
- Medical expenses not covered by insurance
- Change in parent marital status
- Unusual dependent care expenses

What Does It All Mean?

Understanding Your Financial Aid Award Compare Budget to Aid

Costs	↔	Aid
Tuition & Fees	XXX	Scholarships
Room & Board	XXX	Grants
Books & Supplies	XXX	Loans
Personal & Trans	XXX	Work-Study
TOTAL COSTS	↔	TOTAL AID

What Does It All Mean?

Things to Consider

- Compare Bottom Line Cost
- Compare Gift Aid/Self-Help Aid Ratio
- Consider Amount of Work-Study Award
- Review Scholarship and Grant Criteria
- Investigate Outside/Private Funding

Thank You!

