

College Cost

UNDERSTANDING THE FINANCIAL AID PROCESS

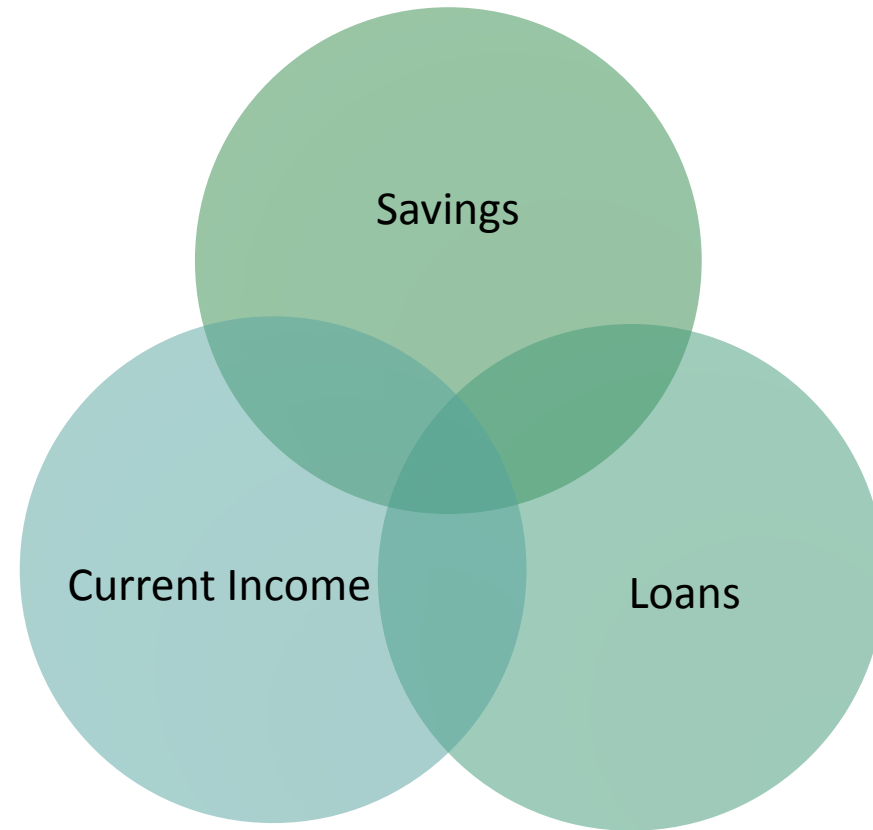
Agenda

- History and Philosophy of Federal Financial Aid Programs
- College Choice
- Forms, Formulas and Assessing Family Financial Strength
- Completing the FAFSA
- Types of Aid
- Resources

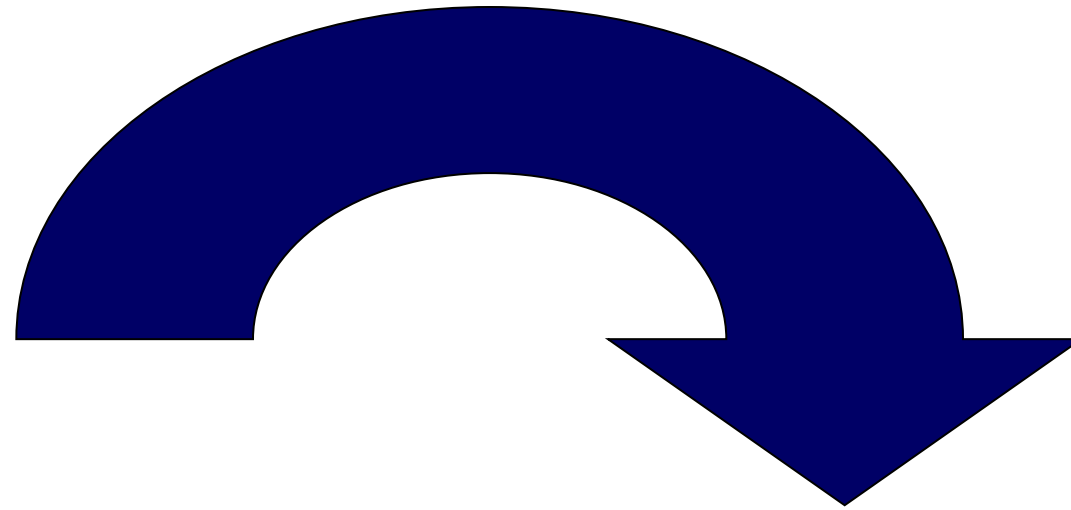
History and Philosophy

- 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.
- Willingness is not a factor.

History and Philosophy



***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

Forms, Formulas and Assessing Financial Strength

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

Determining Financial Need

Aid is awarded on the full cost of attendance:

- 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

Create an FSA ID

Manage My FSA ID

Please enter your:

E-mail



Confirm E-mail



Username



Password



Numbers Uppercase Letters Lowercase Letters Special Characters 8-30 Characters Show Text

Confirm Password



CONTINUE

Completing the FAFSA

- Gather your and your parent's 2018 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

Prepare for College

Types of Aid

Who Gets Aid

FAFSA®: Apply for Aid

How to Repay Your Loans

Home » FAFSA®: Apply for Aid

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 >](#)

Completing the FAFSA

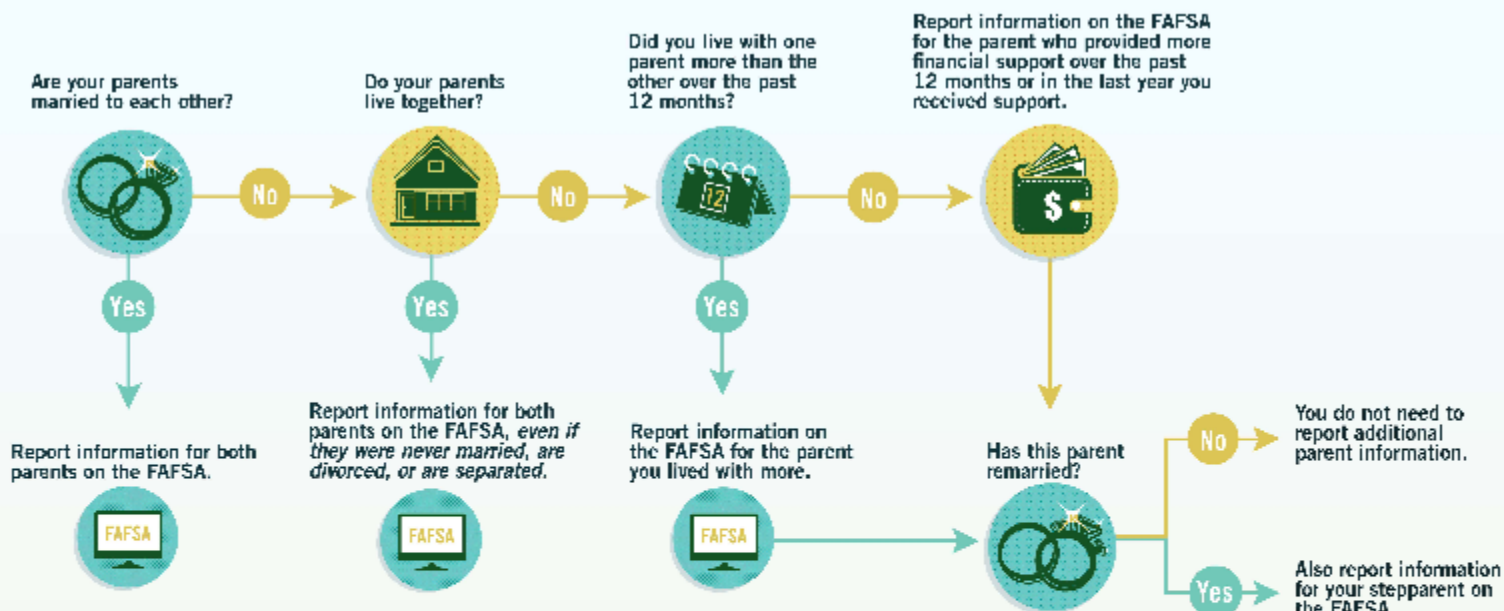
Points to Remember:

- The earliest you may file the FAFSA for the 2020-2021 school year
October 1, 2019.
- Check with the colleges where you plan to apply for deadlines and institutional requirements
- Link to the IRS data Retrieval Tool
 - **Common errors:** Forgetting to report untaxed income – payments to tax deferred pensions and retirement savings plans and untaxed portions of health savings accounts
 - Child Support *received*
- Your student must re-apply for aid every year.
- Dependency Status
- Who is considered a parent?

WHO'S MY PARENT WHEN I FILL OUT MY FAFSA®?

Dependent students are required to report parent information on the *Free Application for Federal Student Aid (FAFSA)*.¹ For reporting purposes, "PARENT" means your legal (biological or adoptive) parent or stepparent, or a person that the state has determined to be your legal parent.

Use this guide to figure out which parent's information to include (depending on your family situation).



The following people are not your parents unless they have legally adopted you:



Widowed Stepparent



Grandparents



Foster Parents



Legal Guardians



Older Brothers or Sisters



Aunts or Uncles

If you're not sure whom to report as a parent, you can visit StudentAid.ed.gov/afsa/filling-out/parent-info or call 800-4-FED-AID (800-433-3243).

¹ If you're not sure whether you are a dependent student, go to StudentAid.gov/afsa/filling-out/dependency

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

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THE AMERICAN VINTAGE

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

Resources

➤ Net Price Calculators

- Early Financial Aid Estimation Tool
- On every College Website
- $\text{Cost} - \text{Grants \& Scholarships} = \text{Net Price}$

➤ Websites

General Information

- 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

- 45 scheduled events around the state
- October 2, 7, 9, 14, 16, 17, 21, 23, 28 & 30, 2019
- November 4 & 6, 2019
- 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