

# Welcome to Financial Aid 101

Your Guide to Financing Your  
Higher Education.

Presented By:

Bill Spiers

Director of Financial Aid

Tallahassee Community College



# Who Pays for Higher Education?



The primary responsibility for funding higher education rests with the student and, where appropriate, his/her family.

# What If the Family Needs Help With the Cost of Education?




When a family cannot afford to pay the full cost of education, as determined through a national system of needs-analysis, financial aid steps in to help.

# How Much is a Family Expected to Contribute?



Family Contribution is determined through a system called Federal Methodology. This system was developed by the US Congress and implemented by the US Department of Education. All schools use this system for determining a student's family contribution.



# What Is Included in the Family Contribution for a Dependent

## ❖ Student's contribution from:

1. Income
2. Assets
3. Un-taxed income

## ❖ Parent's contribution from:

1. Income
2. Assets
3. Un-taxed income



# Dependent Contribution Cont.

- ❖ Number of family members.
- ❖ Number in college, excluding parents.
- ❖ Age of older parent.
- ❖ Other items can be considered under professional judgment by each individual school, including parents in college, K-12 private education, change in the family's financial circumstances.

# Determining an Independent Student's Contribution



The only difference in determining a dependent and an independent student's contribution is the elimination of the parent's contribution for the independent student. All of the other items are the same.

# How Is Need Determined?

Cost of Education – Family  
Contribution = Need





# Cost of Education Includes:

- ◆ Tuition
- ◆ Fees
- ◆ Room
- ◆ Board
- ◆ Books
- ◆ Transportation
- ◆ Personal Expense



# Important Facts About the Cost of Education

- ◆ Varies by school
- ◆ Covers some, but not all of a student's true personal expenses
- ◆ Does not determine affordability



# Important Facts About the Expected Family Contribution

- ◆ Called EFC.
- ◆ Is a constant – does not change based on cost of education.
- ◆ Usually is more than a family feels they can contribute.
- ◆ Is the best device we have to determine need.



# Important Things To Remember As You Apply For Financial Aid

- ◆ Apply
- ◆ Apply early
- ◆ Follow up
- ◆ Communicate
- ◆ Watch out for the scams

# Apply!

## ➤ For Scholarships

*er* Use Free Sources Only!!!

☯ Library

☯ Community

☯ Financial Aid Office

☯ Guidance Office

☯ Internet

[www.fastweb.com](http://www.fastweb.com)

[www.finaid.org](http://www.finaid.org)

[www.nasfaa.org](http://www.nasfaa.org)

[www.sallieMae.com](http://www.sallieMae.com)



# Apply! Cont.

## ➤ For Financial Aid

*et* Free Application for  
Federal Student Aid  
(FAFSA)

*et* Re-application Document  
(RAD)

*et* The World Wide Web

🌐 [www.fafsa.ed.gov](http://www.fafsa.ed.gov)

*et* School Application





# Apply Early!

- ◆ Find out deadline dates.
- ◆ Keep a list of deadlines you need to meet and check them off when they have been met.
- ◆ **Meet deadlines!!**

Remember, when you miss a deadline, you throw money away.



# Follow Up!

- ◆ Make sure the documents you send are received.
- ◆ **Keep a copy of EVERY document you send!!!**
- ◆ Make sure additional items are not needed.
- ◆ Make sure your file is active.



# Communicate!

- ◆ Communicate changes in the family's circumstances.

- ☹ Family income.
- ☹ Family size.
- ☹ One time income.
- ☹ Unusual medical expense.
- ☹ Sibling private K-12 tuition.
- ☹ Divorce.
- ☹ Death.
- ☹ Parents in college.

- ❖ Communicate any special needs or circumstances!



# Watch Out For the Scams!!!

- ◆ Watch out for people who offer to help fill in your paper work for a fee!
- ◆ Watch out for people who want to charge you to look for scholarships!
- ◆ Watch out for people who want to sell you something so you can get financial aid!



# Tips for Completing the FASFA

- ◆ Read the form
- ◆ Gather tax documents
- ◆ Use black ink
- ◆ Use capital letters only
- ◆ Right justify numbers
- ◆ Follow directions
- ◆ Use the worksheets
- ◆ Check your work



# Tips for Completing the FAFSA Cont.

- ◆ Students are dependent until the age of 24.
- ◆ Divorced parents who are remarried are considered married.
- ◆ Step-parents financial information is included on the FAFSA.
- ◆ Non-custodial biological parents information is excluded from the FAFSA.
- ◆ Dependent student who receive SSI should include their benefits under the parent's section.
- ◆ Estimate taxes as a last resort, but estimate if it means meeting a deadline.



# Tips for Completing the FAFSA Cont.

- ◆ If you estimate your income, estimate accurately. Don't over estimate or underestimate.
- ◆ Make sure you use the correct school code.
- ◆ If at all possible, apply on-line! It is faster.
- ◆ Remember to sign the form for the paper copy, or secure a PIN from the US Department of education if filing electronically, or print the signature page if you do not have a PIN and file electronically. Students and parents must obtain their own PIN!
- ◆ If you need help, ask!



# Sources of help

- ◆ Your chosen college or university.
- ◆ The US Department of Education on-line at [www.ed.gov/prog\\_info/SFA/FAFSA](http://www.ed.gov/prog_info/SFA/FAFSA).
- ◆ Or with the US Department of Education by phone at 1-800-4-FED-AID (1-800-433-3243)



# FAFSA

We Help Put America Through School

**July 1, 2004 — June 30, 2005**  
**FREE APPLICATION FOR FEDERAL STUDENT AID**

OMB # 1845-0001

**Apply free for federal and state student grants, work-study, and loans using this form!**

**Or apply free over the internet at [www.fafsa.ed.gov](http://www.fafsa.ed.gov)**



### Applying by the Deadlines

For federal aid, submit your application as early as possible, but no earlier than January 1, 2004. We must receive your application no later than June 30, 2005. Your college must have your correct, complete information by your last day of enrollment in the 2004-2005 school year.

For state or college aid, the deadline may be as early as January 2004. See the table to the right for state deadlines. You may also need to complete additional forms. Check with your high school guidance counselor or a financial aid administrator at your college about state and college sources of student aid and deadlines.

If you are filing close to one of these deadlines, we recommend you file over the internet at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). This is the fastest way to apply for aid.

### Using Your Tax Return

If you are filing a 2003 federal income tax return, we recommend that you complete it before filling out this form. If you have not filed your return, you can still submit your FAFSA. Once you file your tax return, you must correct any income or tax data that changed on your FAFSA.

### Filling Out the FAFSA

Your answers on this form will be read electronically. Therefore:

- use black ink and fill in ovals completely;
- print clearly in CAPITAL letters and skip a box between words;
- report dollar amounts (such as \$12,356.41) like this:

Correct  Incorrect

I	S	E	L	M	S	T
\$	I	2	,	3	5	6

no cents

Pink is for student information and purple is for parent information.

If you or your family has unusual circumstances not shown on this form (such as loss of employment) that might affect your need for student financial aid, submit this form and then consult with the financial aid office at the college you plan to attend.

If you have questions about this application, or for more information on eligibility requirements and the U.S. Department of Education's student aid programs, look on the internet at [www.studentaid.ed.gov](http://www.studentaid.ed.gov). You can also call 1-800-4-FED-AID (1-800-433-3243). TTY users may call 1-800-730-8913.

### Mailing Your FAFSA

After you complete this application, make a copy of pages 3 through 6 for your records. Then mail the original of only pages 3 through 6 in the attached envelope or send it to: Federal Student Aid Programs, P.O. Box 4691, Mt. Vernon, IL 62864-0059. Be sure to keep the worksheets on page 8.

You should hear from us within four weeks. If you do not, please check online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) or call 1-800-433-3243. If you provided your e-mail address in question 13, you will receive information about your application within a few days after we process it.

### Let's Get Started!

**Now go to page 3, detach the application form, and begin filling it out. Refer to the notes as instructed.**

### STATE AID DEADLINES

File On-Line and File On-Time  
[www.fafsa.ed.gov](http://www.fafsa.ed.gov)

AR	For State Grant - April 1, 2004 For Workforce Grant - July 1, 2004 <i>(date received)</i>
AZ	June 30, 2005 <i>(date received)</i>
*^ CA	For initial awards - March 2, 2004 For additional community college awards - September 2, 2004 <i>(date postmarked)</i>
* DC	June 28, 2004 <i>(date received by state)</i>
DE	April 15, 2004 <i>(date received)</i>
FL	May 15, 2004 <i>(date processed)</i>
^ IA	July 1, 2004 <i>(date received)</i>
# IL	First-time applicants - September 30, 2004 Continuing applicants - August 15, 2004 <i>(date received)</i>
IN	March 10, 2004 <i>(date received)</i>
#* KS	April 1, 2004 <i>(date received)</i>
# KY	March 15, 2004 <i>(date received)</i>
#^ LA	May 1, 2004 Final deadline - July 1, 2004 <i>(date received)</i>
#^ MA	May 1, 2004 <i>(date received)</i>
MD	March 1, 2004 <i>(date postmarked)</i>
ME	May 1, 2004 <i>(date received)</i>
MI	March 1, 2004 <i>(date received)</i>
MN	14 days after term starts <i>(date received)</i>
MO	April 1, 2004 <i>(date received)</i>
# MT	March 1, 2004 <i>(date processed)</i>
NC	March 15, 2004 <i>(date received)</i>
ND	March 15, 2004 <i>(date received)</i>
NH	May 1, 2004 <i>(date received)</i>
^ NJ	June 1, 2004 if you received a Tuition Aid Grant in 2003-2004 All other applicants - October 1, 2004, fall & spring term - March 1, 2005, spring term only <i>(date received)</i>
*^ NY	May 1, 2005 <i>(date postmarked)</i>
OH	October 1, 2004 <i>(date received)</i>
# OK	April 30, 2004 Final deadline - June 30, 2004 <i>(date received)</i>
* PA	All 2003-2004 State Grant recipients & all non-2003-2004 State Grant recipients in degree programs - May 1, 2004 All other applicants - August 1, 2004 <i>(date received)</i>
PR	May 2, 2005 <i>(date application signed)</i>
# RI	March 1, 2004 <i>(date received)</i>
SC	June 30, 2004 <i>(date received)</i>
TN	May 1, 2004 <i>(date processed)</i>
*^ WV	March 1, 2004 <i>(date received)</i>

Check with your financial aid administrator for these states: AK, AL, \*AS, \*CT, CO, \*FM, GA, \*GU, \*HI, ID, \*MH, \*MP, MS, \*NE, \*NM, \*NV, OR, \*PW, \*SD, \*TX, UT, \*VA, \*VI, \*VT, WA, WI, and \*WY.

- # For priority consideration, submit application by date specified.
- ^ Applicants encouraged to obtain proof of mailing.
- \* Additional form may be required.

STATE AID DEADLINES





# When You Receive Your SAR

- ◆ Check it for accuracy.
- ◆ Make sure all of the schools you are interested in are listed.
- ◆ Check with the schools you are interested in to see when they begin issuing award letters.
- ◆ See if you are selected for verification, as you will be required to send additional documents to your school.



# When the School Has Your ISIR Record (Schools copy of the SAR)

- ◆ The school will check to see if you are selected for verification and request additional documents if you are.
- ◆ At the time selected by the school, and if your file is complete, the school will determine your need and issue an award letter, if you have need, indicating which funds you will receive.
- ◆ If you are selected for verification and errors are found, the school will have to make corrections, a process that will slow the delivery of your financial aid.



# Award Letters

- ◆ Tell you how much aid you will receive.
- ◆ Tells you what kind of financial aid you will receive from one or more of the types of aid available.
- ◆ Tells you how to cancel your financial aid.
- ◆ Tells you how to modify your financial aid.
- ◆ Tells you how to reject part of your financial aid.



# Type of Aid You Might Receive

- ◆ Scholarships
- ◆ Grants
- ◆ Need-based grants
- ◆ Work
- ◆ Loans



# Need-based Grants

- ◆ Federal Pell Grants
- ◆ Federal Supplemental Opportunity Grants
- ◆ Florida Student Assistance Grants
- ◆ Institutional need-based grants



# Work Study

- ◆ Federal Student Work Study
- ◆ Florida Work Experience Program
- ◆ Campus Sponsored Jobs



# Loans

- ◆ Federal Stafford Loans (Subsidized and Unsubsidized)
- ◆ Ford Direct Loans (Subsidized and Unsubsidized)
- ◆ Parent's Loans
- ◆ Perkins Loans
- ◆ Private Loans



# Grants

- ◆ Usually talent based
- ◆ Usually have conditions attached such as a music or football scholarship
- ◆ Are gift money and do not have to be repaid.




# Scholarships

- ◆ Usually based on academics, but not always.
- ◆ Usually have conditions that apply for renewal.
- ◆ Are gift money, and do not have to be repaid.




# Where to find Scholarships

- ◆ Several places to find scholarships were listed earlier in the presentation. Please utilize the sources listed there.



# Preparing for the Scholarship Interview or Essay

- ◆ Know about the scholarship.
- ◆ Know about the organization offering the scholarship.
- ◆ Answer every question on the application.
- ◆ Never use a prepared essay.



# Preparing for the Scholarship Interview or Essay

- ◆ Practice for the interview.
- ◆ Answer all questions honestly and with your opinion. Always be able to justify your opinion.
- ◆ Know your strengths and weaknesses.
- ◆ Know your likes and dislikes.
- ◆ Know current events.
- ◆ Dress conservatively.

# Remember!



If you think education is expensive, try ignorance.

The average college graduate will earn 1.5 million dollars more in a life time. Is education a good investment? You bet it is!



Thank You for Coming!

You've been a great audience!!

Bill Spiers, TCC

Phone Number 850-201-8399