



FAFSA and Financial Aid

Presented by:

Brooke Geraghty

Associate Director of Admissions

- Topics of Discussion
 - FAFSA
 - Deadlines
 - EFC, Cost of Attendance, and Financial Need
 - Types of Aid
 - Budgets
 - Appeals
 - Questions

FAFSA (Free Application for Federal Student Aid)

www.fafsa.gov

Created by U.S. Department of Education

Required at every University to determine need-based aid eligibility

Also used to gauge eligibility for different types of funds at each school



The screenshot shows the FAFSA website homepage. At the top, it features the 'Federal Student Aid' logo, the text 'PROUD SPONSOR of the AMERICAN MIND', and a search bar for 'Search FAFSA Help'. Below the logo is a navigation menu with categories: 'Prepare for College', 'Types of Aid', 'Who Gets Aid', 'FAFSA: Apply for Aid', and 'How to Repay Your Loans'. The main heading is 'FAFSA: Apply for Aid'. Below this, it states '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 options: 'NEW TO THE FAFSA PROCESS?' with the text 'Completing the FAFSA form is free. Fill it out now.' and a 'START HERE' button; and 'RETURNING USER?' with the text 'Correct info • Add a school' and 'View your Student Aid Report (SAR)' and a 'LOG IN' button. A blue arrow points from the text 'Also used to gauge eligibility...' to the 'START HERE' button.

FAFSA (Free Application for Federal Student Aid)

New for 2019-2020:
My Student Aid app

As of October 1st,
upcoming year FAFSA is
available (2019-2020)

App limitations:

- English only
- cannot make corrections on app



Why FAFSA?

- Ensures **consistent information** is received at each school the student applies to
- In each respective financial aid office, the FAFSA allows us to **equitably evaluate** each family's financial circumstances and help provide access to higher education opportunities

How to Apply?

- <https://fsaid.ed.gov/npas/index.htm>
- Both student and parent must have respective FSA ID's to sign the FAFSA
- www.studentaid.gov/fsaid
 - Info & tips for creating FSA ID
- The new FSA ID consists of a user-created username and password
- You can use your FSA ID **immediately** to sign your FAFSA
- Must wait for the Social Security Administration to verify your information before you can use the FSA ID to create a renewal FAFSA, make corrections to your FAFSA, or view your SAR (student aid report).

How to Apply?

- After both parent and student have their respective FSA IDs, you can start a new FAFSA
- Follow the process step by step
 - **READ** each question carefully and double-check all answers, especially name and SSN
- FAFSA will ask for financial information, including federal tax information and value of assets
 - The 2019-2020 FAFSA will ask for student AND parent 2017 federal tax return information (**Prior-Prior year**)
 - Have a copy of completed returns, 2017 w-2's and asset information on hand

How to Apply?

- Taxes and the IRS Data Retrieval Tool (DRT)
- DRT option allows for faster processing and guarantees accuracy
- DRT not required
- Parents cannot use DRT if tax filing status is married filing separately or if marital status recently changed and does not match tax return filing status

Frequent FAFSA issues

- If you have any questions while filing a FAFSA, make sure to call 1-800-433-3243 or you can access real-time private online chat with a customer service rep on the FAFSA site.
- You can also reach out to the financial aid office directly
- www.studentaid.gov
- Parent and Student SSN's
 - Always double check for accuracy
- Divorced/remarried parent information
- Household size
- Number of household members in college
- Asset information
 - The house you live in is not considered an investment
 - 401k/403b are not considered assets
- FAFSA signature with FSA IDs
 - Both student **AND** parent must sign
- School codes

FAFSA results

- Student Aid Report (SAR)
- Students receive an email with a direct link to view their SAR online once their FAFSA is processed
- Review the SAR
- SAR will also notify you if FAFSA was selected for verification

Verification

- A certain percentage of student FAFSAs are selected for this federally required process
 - School must verify a student's FAFSA information to ensure accuracy so that a student receives maximum aid eligibility
- Institutions may require that you submit additional documentation to *verify* information provided:
 - Tax return transcript, bank statements, institutional forms, etc.
 - Financial Aid Award notification may be delayed or in a tentative status until verification is complete
 - Completing the FAFSA using the IRS data retrieval tool will often eliminate or speed the verification process

Deadlines

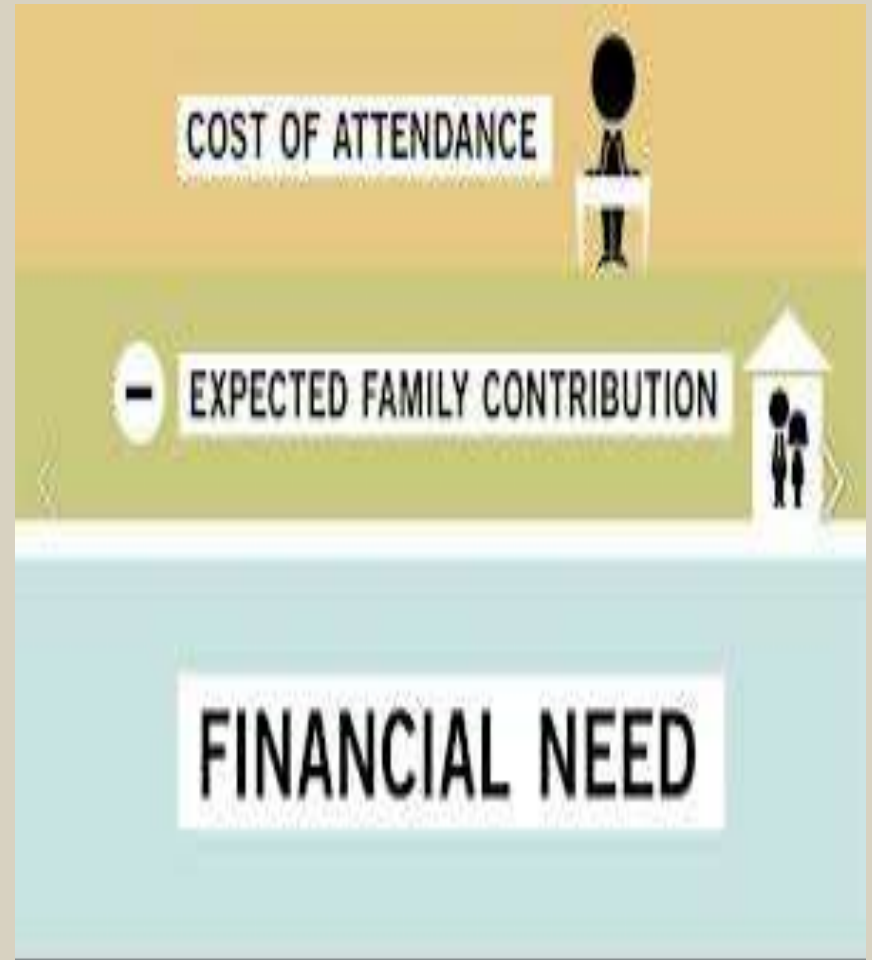
- 2019-2020 FAFSA available after **October 1**
- Regis University FAFSA priority deadline April 15
 - Deadlines at each school may vary
 - Some funds run out
 - Use estimated tax return information, if necessary
- National Candidate Reply Date for Admissions is **May 1st**
 - The sooner the FAFSA is complete, the more time the FA Office has to award and notify the student so the family can make an informed decision/deposit on or before May 1st

EFC

Expected Family Contribution

- EFC is a measure of your family's financial strength and is calculated according to a formula established by federal law.
- Your EFC is **not** the amount of money your family will have to pay for college **nor** is it the amount of federal student aid you will receive. It is a number used by each school to calculate the amount of student aid you are eligible to receive.
 - EFC numbers are used to determine federal and state dollars, but schools may also use this figure to determine how to award their institutional dollars

Financial Need



Cost of Attendance

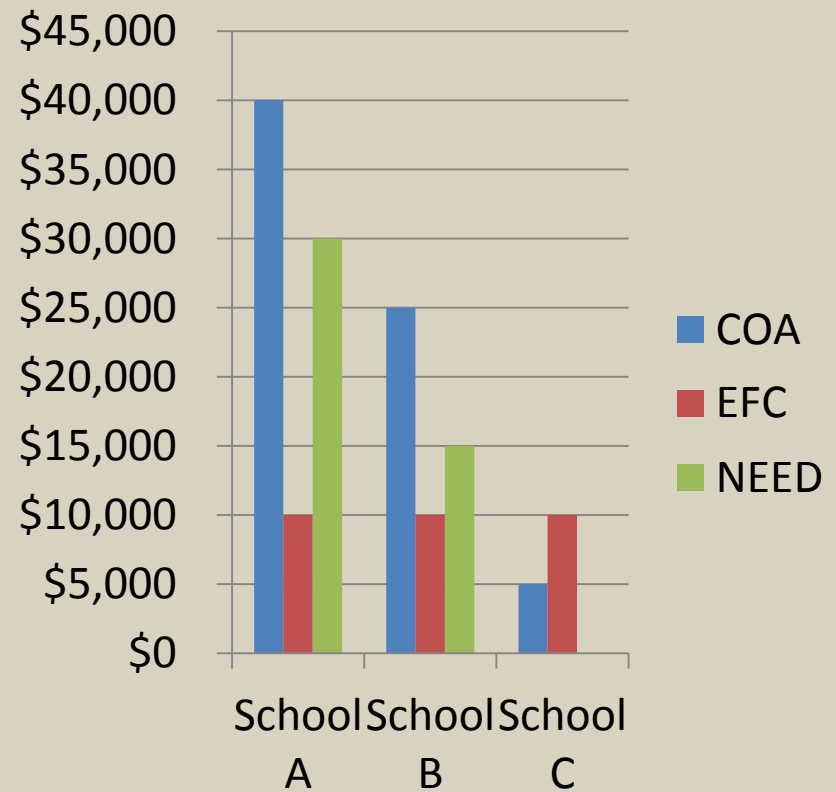
A figure provided by colleges and/or college financial offices that estimates the total costs of attending that particular school for a period of one year.

- Tuition
- Fees
- Room and Board
 - (set by institution)
- Books and supplies
- Transportation
- Personal
 - (variable – schools use average amounts provided by the state)

Financial Need Calculation

- School A: \$30,000 need
- School B: \$15,000 need
- School C: \$0 need

- Schools base awards on financial need. School A has the highest cost but also the highest need. The student may qualify for more aid which can make the higher cost school actually more affordable



Net Price Calculator

- Required at all schools
- Can review basic income information, GPA and test scores to estimate financial aid awards
- This can give families an idea of “net price”
- As explained looking at financial need, the highest priced school may end up being the most affordable option once you look at “net price” (sticker price minus aid offered).
- The net price calculator does not guarantee awards, but it can be a great conversation starter for families
- Regis University:
<http://www.regis.edu/netprice>

Types of Aid

- Scholarships
- Grants
- Student Employment (work-study)
- Student Loans
- Parent Loans

Merit-Based Scholarships

- Awarded based on factors such as GPA, SAT/ACT scores, or other talents
- Not awarded based on financial need
- Institutions offer different scholarships and amounts



External Scholarships

- Merit or need-based scholarships awarded through external organizations (not specific institutions)
 - All students should be researching databases and applying for any that may be applicable
- www.fastweb.com
 - www.finaid.org
 - www.scholarships.com
 - <https://bigfuture.collegeboard.org/scholarship-search>
 - [https://secure.collegeincolorado.org/Financial Aid Planning/Scholarships/ default.aspx](https://secure.collegeincolorado.org/Financial%20Aid%20Planning/Scholarships/default.aspx)
 - <https://www.unigo.com/scholarships/undergraduate-students/scholarships-for-college-freshmen>
 - <http://www.denverfoundation.org/Scholarships/For-High-School-Students>

External Scholarships--Scams

- Always read the fine print
- No company can *guarantee* a scholarship
- Never pay money to apply or receive an award
- Never provide confidential information, i.e. SSN, bank account or credit card numbers

Grants (need-based)

- Federal
 - State
 - Institutional
- **Federal** Grants are based on FAFSA, i.e. Federal Pell Grant, FSEO Grant
 - **State** of Colorado offers a Colorado Student Grant based on FAFSA (funding varies at institutions)
 - **Institutional** Grants based on FAFSA and CSS Profile)
 - Amounts vary

College Opportunity Fund (COF)

- Provides a stipend for new and continuing in-state students going to college in Colorado. Students must apply for and authorize the use of the stipend at their respective institutions.

- <https://cof.college-assist.org/>

- **Public** institutions, student must:
 - Be enrolled, classified as in-state
- **Private** institutions, student must:
 - Be enrolled, be Pell grant eligible based on FAFSA, classified as in-state and have graduated from a Colorado high school
- Qualifications are different as private schools receive less funding from the state

Current stipend amounts 2018-2019:

\$85/credit hour at Public College
\$43/credit hour at Private College

Student Employment

- Student Employment (also known as work-study) is a program that allows students to work on-campus to earn money toward educational expenses. This program offers valuable work experience to complement students' career goals after graduation.



Student Employment

- Funding provided through federal dollars, state dollars or the institutions themselves.
- Limited funding results in limited awards, either # of students who qualify for the award OR total amount of the award
 - Example: Regis University awards student employment to ALL students who complete a FAFSA on-time.
 - Other schools may only offer it to students up to a certain EFC

Student Employment

- How it works
 - Students can find available jobs on campus and apply directly with supervisors
 - Once hired, students receive a paycheck based on the hours they work every 2 weeks
 - Earnings are **NOT** credited directly towards an outstanding bill with the University
 - Students may earn up to their total award amount during the year, but are not required to do so
 - i.e. if a student is awarded \$2,800 for the year, they may choose to earn only \$1,000.

Student Employment

- Benefits
 - Builds a resume
 - Supervisors can be great references after graduation
 - Opportunity to meet new students, interact with faculty and staff
 - Helps with time-management
 - Allows students to budget their own money to help with personal expenses, books, sometimes even rent if living off-campus

Federal Direct Student Loans

- Opportunity to borrow given to students who complete a FAFSA
- Valuable form of financial aid
- Not based on credit
- Freshmen \$5,500
\$3,500 may be subsidized
- Sophomore \$6,500
\$4,500 may be subsidized
- Junior & Senior \$7,500
\$5,500 may be subsidized
- Cumulative Maximum \$31,000

Federal Student Loans

Subsidized

- Need-based
- 2018-2019 interest rate
5.05%
- Government pays interest while student is enrolled at least half-time
- Repayment begins 6 months after graduation or after 6 months of non-enrollment

Unsubsidized

- Non-need based
- 2018-2019 interest rate is
5.05%
- Government does **NOT** pay interest (student may choose to pay interest quarterly)
- Repayment begins 6 months after graduation or 6 months of non-enrollment

Alternative Student Loans

- Also known as private loans
- Based on credit through outside banking institutions
 - Students may need a cosigner in order to qualify
- Interest rates and repayment schedule may vary from lender to lender
 - Important to read the fine-print and make sure you are getting the best rate

Parent PLUS Loans

- Available to parents (not students), after completing a FAFSA
- Often used to help cover the gap after all other aid is taken into account (scholarships, grants, student loans)
- Ability to borrow is a factor: parents must apply for the loan and be approved based on credit
- Interest rate is 7.6% for 2018-2019
- Repayment begins while student is in school, although parents can appeal to defer repayment after graduation (not guaranteed)
- No annual/aggregate federal limit, but parents cannot borrow more than the cost of attendance allows

Parent PLUS Loans

- If denied via the credit check, parents may opt to use a co-signer or appeal the credit decision
- If no co-signer is available, student may qualify for an additional unsubsidized loan
 - In some cases, that additional student loan covers the gap that is necessary
- If the additional student loan does not cover all costs, or if the parent is unwilling/unable to borrow a PLUS loan, students may seek alternative student loans OR consult the school to try to set up a payment plan each semester

Loan Repayment

- Loans can be a very valuable resource, but know what you are borrowing
- As a general rule, multiply what is necessary to borrow by 4 years and start looking at the loan calculators available online: www.studentloans.gov
- Start a **budget**, make a **plan**, understand your **responsibility** upon graduation



Appeals

- The FAFSA is based on prior-prior tax year information
 - Example: 2019-2020 FAFSA uses 2017 taxes
- After you receive your initial financial aid award, you can appeal to respective FA offices due to extenuating circumstances
- Extenuating circumstances include:
 - Loss of income/reduction in hours
 - Elementary and secondary private school tuition
 - Significant medical expenses
 - One-time adjustments to income

Appeals

- Different offices may ask for different forms or documentation during this process
- Appeals do **not** guarantee an increase to existing financial aid award offers
- Financial Aid offices cannot review appeals due to cost of living:
 - High mortgage, car repair, home repair, etc.
- Connect with each financial aid office to learn more or ask questions

Negotiating Awards

- It's important to note that some schools may “price-match” or be willing to negotiate, but some schools award all available funding up front
- Consider Net Price
 - Some schools may offer more awards, but their costs (the sticker price) are higher. The school offering a “smaller” award package may still be your most affordable option based on their costs
- Know the school's policy
 - If they offer the majority of aid during the first year, you may find that subsequent years are less affordable.
 - Some schools offer the same aid package all 4 years
 - Some schools review new FAFSA information each year and aid may change according to new information (more or less).

Special Offers!

- Connect with each school during the admission process. Some schools may have “extras” that make the school a more attractive or a financially feasible option
- Regis University offers the **“Earn and Learn Program”** which guarantees a student employment award opportunity to all students who apply on time
- **Summer programs** or **combined Bachelors to Masters** programs
- **The Regis Payment Option:** allows students/parents to pay their bill in monthly payments during the semester
- Regis University offers the **“Regis Guarantee”**
 - **If students do their part,** students will graduate in four years or take the additional course work at Regis University necessary to complete their baccalaureate degree at no additional tuition cost

FAFSA completion assistance

- Thursday, October 25th from 5:30pm-7:30pm at Horizon High School

College in Colorado

- www.collegeincolorado.org
 - Financial Aid Planning tab
 - Financial Aid 101
 - Financial Aid Calculators
 - Find Scholarships
 - Build Your Financial Plan
 - Money 101
 - Financial Fitness

Questions?

Thank you!

Brooke Geraghty, Associate Director of Admissions

303-458-4230 or bgeraghty@regis.edu

303-458-4900 or RUAdmissions@regis.edu