

# Financial Aid

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Basics of Financial Aid

August 30, 2018

# Agenda

- What is financial aid?
- How much can I get?
- How do I apply?
- What happens next?

# What is financial aid?

- Money to pay for college or technical school
  - Grants: need-based, free
  - Work-study: job on campus
  - Loans: must be repaid
  - Scholarships: merit or talent based

Info about types of aid: [StudentAid.gov/types](https://studentaid.gov/types)

# Grants

- Federal Pell Grant – need-based funds awarded first
- Federal Supplemental Educational Opportunity Grant (SEOG) – campus based funds, college determines awarding criteria based on need
- State Grants - resident of the state and usually must attend college in that state; FAFSA info is sent to state agency; need-based

# Loans

- Direct Subsidized – Interest NOT accrued while enrolled at least half-time; repayment begins six months after graduation, withdrawal or drop below half-time status; Interest rate 5.05%
- Direct Unsubsidized – Accrues interest; can pay on just interest while in school; repayment begins six months after graduation, withdrawal or drop below half-time status; Interest rate 5.05%

# Loans

- Direct PLUS Loan – Parent loan for student's educational expenses, credit-based, interest rate 7.06%
- Private Loans – Interest rates and repayment options will vary among lenders

# Scholarships

- Institutional – College specific, strict deadline dates
  - Example: Cincinnati State deadline is February 15, 2019
- Community scholarships – various organizations
  - Example: PTAs, churches, employers
- Scholarship searches – do not pay for search
  - [StudentAid.gov/scholarships](http://StudentAid.gov/scholarships)
  - [FASTWEB.com](http://FASTWEB.com)

# How much federal aid can I get?

Maximum amounts for the major programs for a dependent freshman in **2018-19**:

- Federal Pell Grant: varies from \$652 to \$6095
- Federal SEOG: award amount differs at each school
- Federal Work-Study: depends on funds available at school (job on campus)
- Direct Subsidized and Unsubsidized Loans: \$5,500 total
- Direct PLUS Loan (for parents): COA minus other aid received

Funds from other programs are available; see [StudentAid.gov/glance](http://StudentAid.gov/glance) for details.



# How is federal aid awarded?

Based on your financial need:

- Financial need determined by Expected Family Contribution (EFC) and cost of attendance (COA)
- EFC comes from what you report on FAFSA® form
- COA includes tuition, fees, room and board, transportation, etc.

$$\text{COA} - \text{EFC} = \text{financial need}$$

# How do I apply for aid?

- Federal student aid: apply at [fafsa.gov](https://fafsa.gov)
- State aid: FAFSA info sent to state agency
  - Ohio Department of Higher Education
- School aid: contact financial aid offices at schools you are considering; website
- Scholarships: visit scholarship website or call contact number for information
  - Free scholarship search at [StudentAid.gov/scholarships](https://StudentAid.gov/scholarships)

# How do I apply for federal student aid

1. Create a username and password called the FSA ID.
  - Learn about the FSA ID and find the link to create one at [StudentAid.gov/fsaid](https://StudentAid.gov/fsaid).
  - You and your parent must each create your own FSA ID; you can't share one.
  - If you provide an email address when creating your FSA ID, it must be a unique email address (can't provide same email address for more than one person's FSA ID).
  - Don't tell anyone your FSA ID!

# How do I apply for federal student aid

## 2. Gather the documents you need to apply.

- Find checklist of what's needed on infographic called "The FAFSA Process" at [StudentAid.gov/resources#fafsa-process-graphic](https://studentaid.gov/resources#fafsa-process-graphic)
- Optional: Preview some of the FAFSA questions on the *FAFSA on the Web Worksheet*. (Get worksheet at [StudentAid.gov/resources#worksheet](https://studentaid.gov/resources#worksheet))

# How do I apply for federal student aid?

## 3. Apply at [fafsa.gov](https://fafsa.gov).

- Apply on or after October 1 but as early as possible to meet all deadlines.
  - State deadlines are at [fafsa.gov](https://fafsa.gov).
  - School deadlines are listed on schools' websites.
- Use your (student's) FSA ID to start the application; saves time and confusion.
- Need help? Use the help functions within the FAFSA form (including live chat) or call 1-800-4-FED-AID.
- Don't forget: watch for the confirmation page that says your FAFSA form has been submitted. THEN log out.

# IRS Date Retrieval Tool (DRT)

- Allows students and parents to pull their tax information directly from the IRS while completing the FAFSA
- Speeds up the process
- Eliminates the need for the Federal Tax Return Transcript if selected for verification
- Highly encouraged to use this tool

# How do I apply for federal student aid?

4. Watch for response by email or by mail, confirming that your FAFSA form was processed.
  - Double-check that your info is correct by logging on at the FAFSA site and reviewing your data.
  - Correct any mistakes and submit the corrected info.
  - Don't update info that was correct on the day you signed your FAFSA form.

# How do I apply for federal student aid?

5. Watch for emails or letters from the schools you are considering.
  - Give the schools any additional paperwork they ask for.
  - Meet all deadlines or you could miss out on aid!



# FAFSA Availability

- **October 1, 2018** – 2019-2020 academic year
- Uses 2017 tax information
- Complete as soon as possible
- Can apply for FSA ID now

# FAFSA4caster

For early estimate, use *FAFSA4caster*.

- Go to [fafsa.gov](https://fafsa.gov) and find link in “Thinking About College?” section (lower right of home page)
- Enter some financial information
- Get an estimate

# Net Price Calculator (NPC)

- NPC – web tool for students to estimate financial aid for college
  - Available on colleges' web site
  - College must have on web site if they participate in federal aid
  - **Estimate** of awards
  - Comparison tool

# What happens next?

- Evaluate schools' aid offers.
- Once you decide which school to attend, keep in touch with the financial aid office to find out when and how you will get your aid.

# Where can I get more info?

- [StudentAid.gov](http://StudentAid.gov)
  - Info about aid programs
  - Links to free scholarship and college searches
- 1-800-4-FED-AID or [studentaid@ed.gov](mailto:studentaid@ed.gov)
  - Info about aid programs
  - Help with FAFSA form

# Thanks for coming!

- Contact information:
  - Penny Parsons, Director of Financial Aid  
Cincinnati State  
Phone: (513) 569-1532  
Email: penny.parsons@cincinnatiastate.edu

Cincinnati State

The logo for Cincinnati State is a white graphic element consisting of several curved, overlapping lines that form a stylized, upward-pointing shape, resembling a fan or a series of waves. It is positioned above the letter 'S' in the word 'State'.