



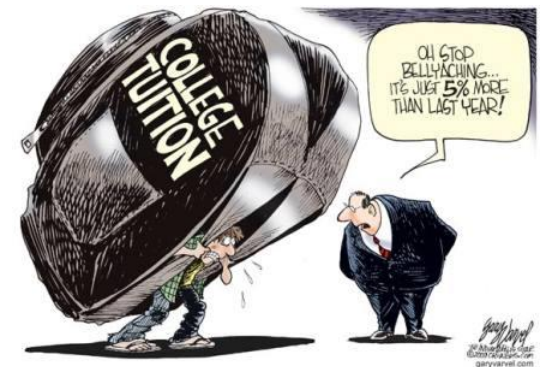
Financial Aid Information **for Grant High School** **Parents and Students** **2015-2016**



Mike Johnson, Director of Financial Aid
Pacific University

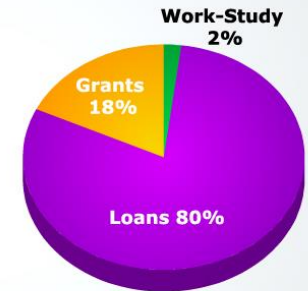
Higher Education Prices

- ▶ Community Colleges
\$ 4,200 tuition, \$16,000 total
- ▶ Public Colleges and Universities
\$ 8,300 tuition, \$22,800 total
- ▶ Private Colleges and Universities
\$29,900 tuition, \$44,700 total



Financial Aid Programs

Funds from private, institutional, federal, and state sources to assist with meeting college costs



Title IV Program Volume
(as of Fiscal Year 2005)

▶ Gift Aid

- Scholarships – awarded based primarily on academic merit, talents, and activities
- Grants – awarded primarily based on “need”

▶ Self-Help Aid

- Employment – need-based funds that must be earned
- Loans – need-based and non-need-based funds that must be borrowed and repaid with interest

Net Price Calculators

- ▶ Required to be on the websites of all colleges and universities that award federal financial aid
- ▶ Provide users with an estimate of the *gift aid* they may receive at the school based on:
 - the school's current awarding policies
 - the income, asset, household, and other data that the user enters

Net Price Calculator

Step 1: Please provide the requested information. Your responses will be used to calculate an estimated amount that students like you paid - after grant aid and scholarships but before student loans - to attend the institution in a given year.

Financial aid: Do you plan to apply for financial aid?
☐ Yes ☐ No

Age: How old are you?

Living arrangement: Where do you plan to live while attending this institution?
☐ On-campus (in a residence hall, dormitory, or on-campus apartment)
☐ Living on my own or with a roommate
☐ Living with my parents or other family members

Residency: ☐ Eligible for in-state tuition
☐ Eligible for out-of-state tuition

[Previous](#) [Continue](#)

Student Information

Please provide the following information about the student. All questions are required. Any time a question asks "last" or "year" it is asking for the student's. Then, click "Next".

What is your first name?

What year were you born?

What grade are you in?

What is your state of residence?

What is your marital status?

Do you have any dependent children? ☐ Yes ☐ No

Where do you plan to live while you are in college?

Are you an orphan or ward of the court? ☐ Yes ☐ No

What is your high school GPA?

What is your current high school class rank?

Do you expect to be the sophomore or the junior, the first or second highest ranked student in your class?

What is your composite ACT score?

Which University of Minnesota campus do you plan to attend?

HELPFUL INFORMATION

Questions in questions in this section will provide an estimate of your eligibility for need-based financial aid. If you are unsure of an answer, you may want to consult your financial aid advisor.

need help?

Have questions about a question? Click on the question mark icon located to the right of each field. Get answers? Then give the College Board a call at 800-455-3677.

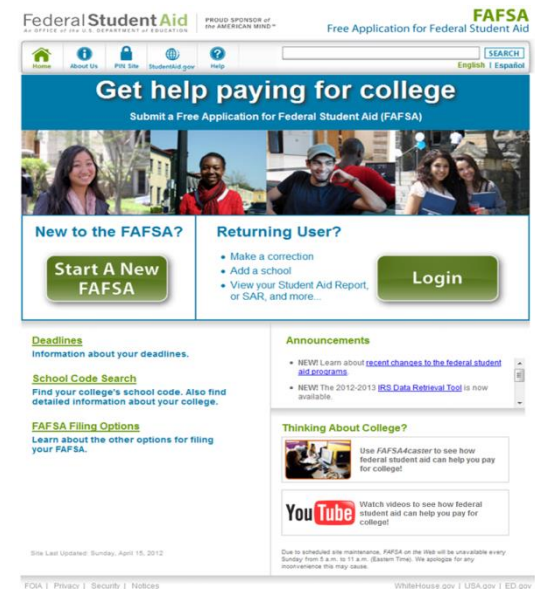
Financial Aid Process

- ▶ Admissions application
- ▶ Financial aid application (*FAFSA*)
- ▶ Student Aid Report (*SAR*)
- ▶ Eligibility determination (*ISIR*)
- ▶ Need analysis (*FM*)
- ▶ Award notification
- ▶ Award disbursement



FAFSA on the Web

- ▶ **Free Application for Federal Student Aid (FAFSA)** – applicants can begin applying on January 1, 2015 at www.fafsa.gov
- ▶ Collect relevant documents (2014 income statements, current bank balances)
- ▶ *Skip logic* will result in different questions for different applicants



FAFSA on the Web

- ▶ Follow instructions and enter information carefully
- ▶ Use available online help
- ▶ Use close estimates of income if actual income information is not available
- ▶ List up to *ten* schools that can receive the information
- ▶ Sign the form electronically
 - The PIN process will be in place in January but is being phased out. Beginning in April, applicants will sign with usernames and passwords



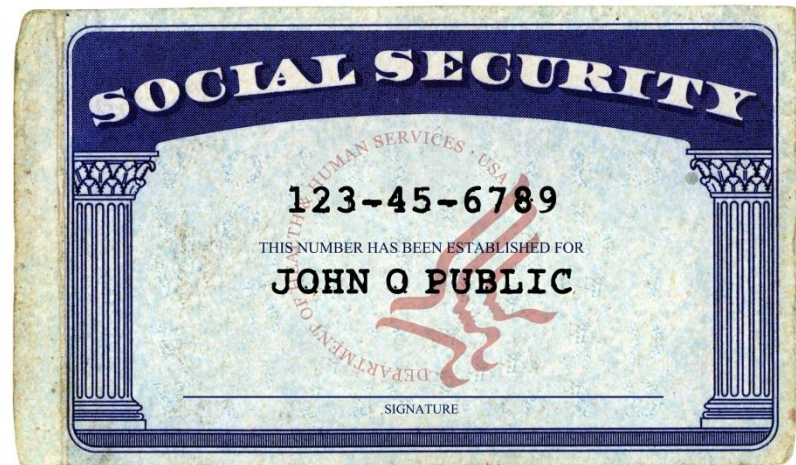
***FAFSA on the Web* information challenges**

- ◉ Social Security number and name agreement
- ◉ Parent definition
- ◉ Student independency criteria
- ◉ Household size/number in college
- ◉ Taxable income
- ◉ Taxes paid
- ◉ Untaxed income
- ◉ Assets



Social Security number/name

- ▶ If reported names and social security numbers do not match Social Security Administration records, applicants must provide copies of social security card(s) to the school



Parent definition

- Biological/adoptive parents, stepparents, and unmarried legal parents who live together
- Not legal guardians, other relatives, or domestic partners who have not adopted the applicant
- For divorced/separated parents (in this order)
 - The parent(s) with whom the applicant lived the most during the previous 12 months, or
 - The parent(s) who provided the most financial support to the applicant during the previous 12 months, or
 - The parent(s) who provided the most financial support to the applicant most recently

Student independency criteria

- Applicants who will attend college directly from high school are usually dependent
 - Under 24 years old, not married, not supporting a child, not a veteran of the US Armed Forces
- Ways applicants can be independent include:
 - Orphans, wards of the court, or in foster care
 - Emancipated minors
 - In a legal guardianship
 - Unaccompanied youth who are homeless or at risk of being homeless
 - Made independent by a financial aid administrator as a result of documented special circumstances

Household size

- ▶ Household size includes:
 - ◎ The applicant and his or her parent(s)
 - ◎ The parents' other children if they receive more than half of their support from the parents *or* if those children would be required to provide parent information on a FAFSA
 - ◎ Other people if they live with *and* receive more than half of their support from the parents



Number in college

- ▶ Number in college includes:
 - ⦿ The applicant
 - ⦿ The parents' other children and/or other household members if they will attend college at least half time in a degree or certificate program
- ▶ Parents of dependent applicants *cannot* be listed as college students on the applicant's FAFSA

Taxable income and taxes paid

- ◉ When estimating income:
 - ◉ Look at year-end earnings statements and other available income summaries
 - ◉ Refer to the previous year's tax return for income categories to report
- ◉ When estimating taxes paid:
 - ◉ *Do not* report taxes withheld shown on W2s
 - ◉ Refer to the previous year's tax return for an idea of the percentage of the Adjusted Gross Income that was paid in taxes

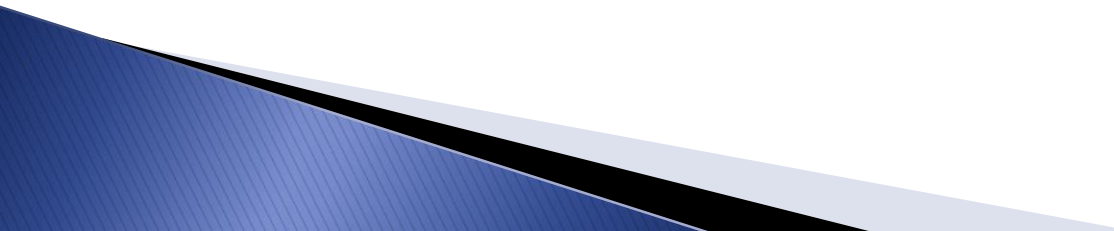


Untaxed income

▶ Untaxed income includes:

- ⊙ Payments to tax-deferred pension and savings plans
- ⊙ IRA deductions
- ⊙ Child support received
- ⊙ Tax-exempt interest income
- ⊙ Veterans non-education benefits

▶ Untaxed income *does not* include:

- ⊙ Untaxed Social Security payments
 - ⊙ Supplemental Security Income
 - ⊙ Welfare payments
- 

Assets

- ◉ Assets include:
 - ◉ Current cash, savings, and checking balances
 - ◉ Investments (including stocks, bonds, CDs, mutual funds, trust funds, UGMAs/UTMAs, and 529 plans)
 - ◉ 529 plans are reported as parent assets even if in the applicant's name
 - ◉ UGMAs and UTMAs are the applicant's assets
 - ◉ Rental properties and second homes
- ◉ Assets *do not* include:
 - ◉ Primary residences
 - ◉ Family owned businesses and farms
 - ◉ Retirement accounts



Supplemental Financial Aid Applications

- ▶ College Scholarship Service's **PROFILE** – available in the fall to apply for *institutional aid* at participating schools.
- ▶ The **PROFILE** asks for information not required on the FAFSA, such as
 - non-custodial parents' income and assets
 - net values of primary residences
- ▶ The **PROFILE** may also disallow certain losses that can reduce reported income on tax returns and on the FAFSA

Student Aid Report

- ⦿ The ***Student Aid Report*** (SAR) is the output document that results from filing the FAFSA
- ⦿ It will indicate the applicant's **Expected Family Contribution** (EFC)
- ⦿ It may be used to correct or update information; changes can be made online at www.fafsa.gov
- ⦿ Schools receive that information electronically and use it to determine eligibility, perform need analysis, and make and revise awards

Eligibility Determination

- ▶ High school diploma or equivalent
 - Some applicants will be asked to provide schools with documentation of their high school completion
- ▶ U.S. citizen or eligible non-citizen
 - Eligible non-citizens may have to provide schools with documentation of that status
- ▶ Registered for Selective Service if male aged 18 to 26
 - Applicants who are required to register may do so on the FAFSA



Need Analysis

- Standardized assessment of a family's financial strength measured primarily by past year income, current assets, and household size
- Schools may require additional information to confirm or correct reported amounts
- Federal "need" calculation

Cost of Attendance (COA)

- Expected Family Contribution (EFC)
"Need"

Verification

- ▶ Federally required process for selected FAFSA filers
- ▶ Requires schools to request documentation of certain FAFSA data, including income, household size, and number in college
- ▶ **IRS Data Retrieval Tool (IRS-DRT)**, available in February, should be used if possible to document income.
- ▶ Tax filers not eligible to use the IRS-DRT will have to provide **Tax Return Transcripts**



Award Notification

- ▶ Indicates “package” of aid from school
- ▶ Requires careful scrutiny since content and format may vary
 - May show costs differently
 - May include varying detail about different types of aid and additional steps required to receive it, such as completing loan applications
 - May include Federal Direct Parent PLUS Loans
 - May require written acceptance by an institutionally determined deadline

Example Award Package: Community College

Cost of Attendance:	\$ 16,000
EFC	03000
"Need"	\$ 13,000
<hr/>	
<u>Gift Aid</u>	
Federal Pell Grant	\$ 2,800
FSEOG	\$ 600
<u>Self-Help Aid</u>	
Federal Work-Study	\$ 2,200
Federal Perkins Loan	\$ 1,800
Federal Direct Subsidized Loan	\$ 3,500
Federal Direct Unsubsidized Loan	\$ 2,000
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Total Award	\$ 12,900

Example Award Package: Public College/University

Cost of Attendance	\$ 22,800
EFC	03000
"Need"	\$ 19,800
<hr/>	
<u>Gift Aid</u>	
Federal Pell Grant	\$ 2,800
FSEOG	\$ 1,000
University Scholarship	\$ 3,500
<u>Self-Help Aid</u>	
Federal Work-Study	\$ 2,200
Federal Perkins Loan	\$ 2,000
Federal Direct Subsidized Loan	\$ 3,500
Federal Direct Unsubsidized Loan	\$ 2,000
<hr/>	
Total Award	\$ 17,000

Example Award Package: Private College/University

Cost of Attendance	\$ 44,700
EFC	03000
"Need"	\$ 41,700
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<u>Gift Aid</u>	
Federal Pell Grant	\$ 2,800
FSEOG	\$ 600
Presidential Scholarship	\$ 16,000
Institutional Grant	\$ 7,500
<u>Self-Help Aid</u>	
Federal Work-Study	\$ 2,200
Federal Perkins Loan	\$ 1,500
Federal Direct Subsidized Loan	\$ 3,500
Federal Direct Unsubsidized Loan	\$ 2,000
<hr/>	
Total Award	\$ 36,200

Award Disbursement

- ▶ Most financial aid funds are applied to students' charges when school starts if required processes have been completed
 - Federal Work-Study must be earned
 - Federal loans require Master Promissory Notes/applications and entrance counseling
- ▶ Most funds that exceed billed charges are given to students
 - Federal Direct Parent PLUS Loan proceeds are given to the parent borrower unless that parent has authorized the student to receive them

Award Revisions

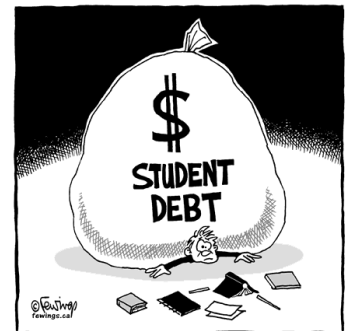
- ▶ Award amounts may change if
 - Families correct or update FAFSA data, including providing income from their tax returns using the **IRS Data Retrieval Tool**
 - Schools revise FAFSA data based on new information
 - Students receive outside scholarships after financial aid has been packaged
 - Students drop classes, or their credit completion and/or grades do not meet minimum standards
 - Anticipated federal or state funds are not received

Additional Considerations

- ⦿ The EFC is really a financial aid *eligibility index* rather than an accurate indication of a family's financial strength, which means that:
 - ⦿ Federally defined “need” may not reflect a family's actual financial situation
 - ⦿ Schools may not be able to meet all of a family's “need”
- ⦿ Despite those caveats, a school's *net price* (cost of attendance minus grants and scholarships) may be surprisingly reasonable, and is the key to determining the school's affordability

Additional Considerations

- Future indebtedness should be carefully considered when accepting loans
 - *The total cost of the student's education includes the total loan amount repaid*
- Families should report to the school any *special circumstances* that will affect their ability to pay for college, including:
 - Parent job loss or reduction in hours
 - Significant unreimbursed medical expenses



Additional Information

- ◉ Any college or university financial aid office
- ◉ The Federal Student Aid site at www.studentaid.gov
- ◉ *College Goal Oregon* sites each Saturday in January – information will be available at www.collegegoaloregon.org
- ◉ *Financial Aid Day* – held one Saturday in January at each Portland Community College campus – information will be available at www.pcc.edu



START HERE
GO FURTHER
FEDERAL STUDENT AID

Closing thoughts

- Questions?



- Comments?

