

Financing Education Beyond High School

Westfield High School

3 Types of Federal Student Aid

1



Free
money.

Grants are usually based on financial need and don't have to be repaid.

2



Borrowed
money.

Loans are an investment in your future. But remember, they must be repaid with interest.

3



Earned
money.

A **work-study** job lets you earn money while you're in school.

Cost of Attendance - COA

Direct (will be on your college bill)

- Tuition and fees
- Room and board

Indirect (can vary depending on student)

- Books, supplies, transportation, and miscellaneous personal expenses, personal computer
- Study abroad costs
- Travel expenses

Expected Family Contribution (EFC)

Parents' contribution from income and assets

+

Student contribution from available income

= **EFC (Expected Family Contribution)**

Need Varies Based on Cost of Attendance

Example: **EFC = \$15,000**

College A: COA = \$50,000

$\$50,000 - \$15,000 = \$35,000$ NEED

College B: COA = \$19,000

$\$19,000 - \$15,000 = \$4,000$ NEED

College C: COA = \$6,000

NO NEED

Net Price Calculator – NPC

- Intended to help families understand the out-of-pocket cost of colleges and universities
- Law requires all undergraduate colleges receiving federal aid to provide net price calculator on their website
- Net price = Cost of Education – Gift aid
- Link to the NPC typically found on the Admission or Financial Aid pages on a college website

Net Price Calculator Results

Ball State University Direct Cost

\$20,126

Estimated Personal Expenses

Books & Supplies

+ \$1,350

Other Expenses

+ \$3,170

Total Cost (including Personal Expenses)

\$24,646

Some academic programs and courses do have additional fees. For a full listing of individual program and course fees see the [Bursar website](#).

Your Estimated Grants and Scholarships:

Ball State Grants and Scholarships

In-State Presidential Scholarship

- \$5,500

Total Grants and Scholarships

\$5,500

Your Estimated Net Price

\$19,146

Your Estimate Eligibility for Student Loans:

Direct Subsidized Loan

- \$3,500

Direct Unsubsidized Loan

- \$2,000

Estimated Remaining Cost

\$13,646

Other Financing Options

Direct Parent PLUS Loan

- \$13,646



FAFSA Application Process

- Submit FAFSA after October 1 – as soon as possible to make sure you don't miss a deadline
- To ensure maximum consideration for federal, state, and institutional aid, check information from each school to determine:
 - Required application materials
 - Application deadlines – colleges may have earlier deadlines

www.fafsa.ed.gov

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FAFSA®: Apply for Aid

Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or grad school.

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RETURNING USER?

Correct info • Add a school
View your *Student Aid Report* (SAR)

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IRS Data Retrieval Tool

Allows parents and student to transfer their information from the IRS website directly to the FAFSA

- Best way to ensure that your tax data is accurate
- If your FAFSA is chosen by the university for verification*, and you have used the IRS Data Retrieval Tool, they will not require you to provide copies of your tax returns.

*Colleges are required to randomly verify, or audit, a certain number of FAFSAs each year.

Federal Stafford Loans

Subsidized: Government pays the interest while you are in school at least half-time

- Must demonstrate need: COA – EFC – other aid
- Initial loan offer can go down if student earns additional scholarships that are reported to the financial aid office

Unsubsidized: Borrower is responsible for all interest

- Need is not a consideration

Federal PLUS Loans

- Borrowers are parents
- Annual loan limit: cost of attendance minus other aid
- Credit check is required - if not passed, undergraduate student may borrow additional unsubsidized Stafford loans
- Repayment begins 60 days after loan is fully dispersed - can request deferment and either pay accrued interest or have it capitalize

Interest rates for Stafford and Plus loans are posted on July 1 each year.

College Goal Sunday

- ❖ Financial aid professionals will help families complete the FAFSA
- ❖ Parent or student needs to bring all documents needed to complete the FAFSA (taxes, checking and savings account, etc.)
- ❖ More information can be found at www.collegegoalsunday.org
- ❖ Typically held in October and February

FAQ's

- What if parents are divorced/remarried?
- What if student lives with grandparents or person other than parents?
- What if I just lost my job a week ago, so my reported income still looks good?

Where Do I Go From Here?

- Review financial aid page and materials for each school to which you are applying
- Meet all application deadlines
- Check Naviance scholarship list **weekly**.
- Call Financial Aid Office at your college if anything changes financially or if you have any questions.
- Fill out FAFSA even if you don't think you'll qualify; you never know when circumstances may change.

Websites

- ❖ www.whscounselingcenter.com
- ❖ www.fafsa.ed.gov
- ❖ www.collegegoalsunday.org
- ❖ www.collegeboard.com
- ❖ www.studentaid.ed.gov