

FINANCIAL AID

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Sedan High School
2000-2001

POINTS OF EMPHASIS



- (1) The “Financial Aid Officer” should be your primary source of contact
- (2) Deadline dates important and vary from school to school
- (3) APPLY AS SOON AS POSSIBLE - (Target Feb. 1 - at least by March 1)

You Must Remember These Three Things



■ APPLY FOR ADMISSION!

(you'll not be considered for financial aid if not admitted)

■ APPLY FOR FINANCIAL AID!

■ *DO TAX RETURNS EARLY*

■ READ YOUR MAIL!

■ *Keep up on Deadlines*

FINANCIAL AID "TIPS"



- **Complete Tax Return before completing FAFSA**
 - You don't have to file taxes - but need actual tax figures
- **Compare financial aid for each college**
 - your out-of-pocket expenses may be similar for schools that vary greatly in costs
- **Check on "institution specific" awards**

FINANCIAL AID "TIPS"



■ STUDENT/PARENT INCOME INFO

| Parents = 5.6% income used

| Students = 35% income used

FINANCIAL AID "TIPS"



- New Tax Laws are in effect
- Some tax breaks are available for college tuition costs
- Parents are advised to check with their Tax Preparer

BASIC FINANCIAL AID



- SCHOLARSHIPS
- GRANTS
- WORK-STUDY
- EDUCATION LOANS

SCHOLARSHIPS

- Scholarships help pay for college expenses and are not repaid

■ TYPES OF SCHOLARSHIPS

- NEED-BASED
- MERIT-BASED
- INSTITUTIONAL
- PRIVATE/CORPORATE

GRANTS

- Also known as “gift aid” are based on financial need and are not repaid
- “Need Eligibility” determined by the FAFSA (Federal Application for Federal Student Aid)

■ GRANT TYPES

- | Pell Grant (\$400 - \$3,300/year)
- | FSEOG (\$100 - \$4,000/year)
- | State Grants
- | Institutional Grants

WORK-STUDY

- Allows you to earn money by working “on campus”
 - | You get paid for hours worked (like any job)
- Based on “financial need”
 - | Jobs awarded on “first-come/first-served” basis
 - | Each institution has its own job application procedures
 - Some help you find jobs - Others you must seek own employment

EDUCATION LOANS

- PERKINS LOANS - "need-based" borrowed directly from the college - 5% Interest rate - repayment 9 months after leaving school - (Some cancellation possible)
- STAFFORD LOANS - Variable interest rate (8.25% cap) - repayment begins 6 months after leaving school - (Some cancellation possible)
- PLUS LOANS - "Parent Loan" - variable interest rate (9% cap) - repayment begins with disbursement

FINANCIAL AID TYPES



| MERIT BASED

| NEED BASED

MERIT BASED PROGRAMS

- These are awarded on the basis of something earned or doing something!
 - | Scholarships for grade/ACT scores
 - | group/organization grants
 - | activity grants

NEED BASED PROGRAMS

- Grants/Work-Study/Education Loans
- These are based on an evaluation of a family's financial strength and are funded by the Federal Government
- FAFSA (Free Application for Federal Student Aid) is used to gather family financial data

F A F S A



- **FREE APPLICATION FOR FEDERAL STUDENT AID**
 - First step in federal financial aid application process
 - Determines fed financial aid eligibility “Need-Analysis” used to determine “Expected Family Contribution” (EFC)
 - * EFC remains constant

FINANCIAL AID PACKAGING



COA (cost of attendance)
- EFC (expected family contribution)
= NEED ELIGIBILITY

“Packaging”



- Each institution “packages” student financial aid according to “Need Eligibility” and according to the institution’s budget
- “Need Package” may include all or any combination of:
 - | Scholarships - Grants -
 - | Work-Study - Loans

Packaging Simulation #1



- \$16,000 COA
- - 00 EFC
- \$16,000 Need

Packaging Simulation #1 (cont)

- **\$16,000 NEED**
- - 3,300 Pell Grant
- - 500 FSEOG
- - 2,000 Work-Study
- - 2,500 KS Comp Grant
- - 4,000 Scholarship
- - 3,625 Loan (Perkins & Stafford)
- **= \$75 Remaining Need**

Packaging Simulation #2



- \$6,000 COA
- - 00 EFC
- \$6,000 Need

Packaging Simulation #2(cont)



- \$6,000 NEED
- - 2,000 Pell Grant
- - 1,000 Work-Study
- - 2,500 Scholarship
- - 500 Loan
- = \$0 Remaining Need

Packaging Simulation #3



- \$16,000 COA
- - 5,000 EFC
- \$15,000 Need

Packaging Simulation #3(cont)



- \$15,000 NEED

- - 2,500 Work-Study

- - 2,500 Ks Comp Grant

- - 5,000 Scholarship

- - 3,000 Perkins/Stafford Loan

- - 1,500 Unsub Loan

- = \$500 Remaining Need

Packaging Simulation #4



- \$6,000 COA
- - 5,000 EFC
- \$1,000 Need

Packaging Simulation #4(cont)



- \$1,000 NEED
- - 500 Scholarship
- - 500 Work-Study
- = \$0 Remaining Need

COMPLETING THE FAFSA



- The FAFSA is used for State, Federal, and College specific financial aid - gather info and create a file containing the following:
 - most recent W-2(s) and Tax Return
 - current bank statements
 - records of untaxed income
 - value of investments/business
 - driver's license & social security number

COMPLETING THE FAFSA



■ General Eligibility - A Student Must:

- be a U.S. Citizen or national/eligible non-citizen
- enroll in an eligible program in an eligible institution
- have a high school diploma or equivalent
- not be simultaneously enrolled in high school

COMPLETING THE FAFSA



- **Student's Rights/Responsibilities**
 - Accurate completion critical
 - Review/Understand all agreements
 - Comply with all application deadlines and documentation requirements
 - Repay any Title IV funds received as a result of inaccurate information

FAFSA "NOTES"

- Make sure you have the FAFSA for the correct school year
- Seniors 2001
 - | FAFSA for July 1, 2001 - June 30, 2002)

FAFSA "NOTES"

- Use 2000 Income Information
- Use Black Ink or #2 Pencil
- Print Clearly in Capital Letters
- Skip a box between words
- Use Whole Dollar Amounts (no cents)
- Write numbers less than ten with a zero (0) first

FAFSA "NOTES"

- Make sure college codes are correct
- Complete all questions unless otherwise stated on FAFSA
- FAFSA Questions:
 - Call 1-800-4FEDAID (433-3243)
 - Online www.ed.gov/studentaid

FAFSA "NOTES"

- Submit as soon as possible after Jan. 1
- Double check Social Security Number and Date of Birth
- Don't include parents in number of family members in college
- Answer "Drug Conviction" Question
- Include Parent's information unless you can answer yes to one of questions 54-59

FAFSA "NOTES"

- MAIL OR SUBMIT FAFSA "ON LINE"
AS SOON AS POSSIBLE for quick processing and student aid report
 - Mailed FAFSA will take 4-6 weeks
 - On-Line Application will take 10 - 14 days
 - www.fafsa.ed.gov

FAFSA "ON-LINE"



- www.fafsa.ed.gov
 - Receive an "EFC" estimate immediately
 - With Printer - get a signature page to mail-in
 - No Printer - will be mailed a signature page to return

What Happens Next?



- After filing the FAFSA - You will receive a SAR (Student Aid Report)
 - Verify all information and make any corrections immediately
 - Most corrections can be made with the college of choice
- Colleges receive FAFSA information and submit a “Financial Award Letter” to the student

What Happens Next?



- Your “Financial Award Letter” will indicate your financial aid packaging
- You may accept or deny all or any individual part

Dependency Overrides & Professional Judgements



■ DEPENDENCY OVERRIDE:

- A student may be considered independent if he/she presents documentation of "unusual circumstances"
- Exceptions are made on a case-by-case basis according to institution policy
- Overrides at one school may not be accepted at another school


Dependency Overrides & Professional Judgements



■ PROFESSIONAL JUDGEMENT:

- Adjustments may be made on individual FAFSA line items with documentation
- Adjustments are made on a case-by-case basis according to institution policy
- Adjustments made by one school will not automatically be accepted at another

Income Adjustment Examples:



- | **STUDENT MAY REQUEST INCOME ADJUSTMENTS FOR:**
 - | **Unusually high family medical expenses**
 - | **Change of family income due to employment status**
 - | **Loss of student benefits**
 - **(Social Security/Child Support/Etc.)**
 - | **Natural Disaster (Fire/Flood/etc.)**

REMEMBER



- FAFSA must be filed every year
 - (Renewals are mailed each year)

- Students must maintain “Satisfactory Academic Progress” for continuation of financial aid/scholarships
 - complete certain #credit hours/semester
 - maintain a minimum g.p.a

FINANCIAL AID

"WARNINGS"

- Be Alert for vendors charging to find scholarships
 - Especially those with "guarantees"
- Legitimate scholarship programs go through local high schools/colleges
- Use www.finaid.com - to check for scholarship scams

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FINANCIAL AID "WARNINGS"

- Get Copies of EVERYTHING submitted by any "consultant"
- Parents/Students are liable in case of mistakes made or fraud used by consultants in student's name - and will have to make repayment and possible fines & imprisonment.

Scholarship/Financial Aid

"Danger Signals"

- "Guaranteed to get you \$\$\$\$\$"
- "You can't get this information anywhere else"
- "May I have your credit card number"
- "This scholarship will cost you some money"
- "You've been selected by a "National Foundation" or "You're A Finalist"

Scholarship/Financial Aid

"Warnings"

- Anything that sounds too good to be true - probably is
- Guarantees are rarely valid
- Don't spend more money than you can afford to lose
- FAFSA/Scholarship assistance can be obtained FREE - through high schools/colleges/internet

STATE OF KANSAS SCHOLARSHIP PROGRAMS



- Require a “State of Kansas Student Aid Application”
 - | \$10 Processing Fee
- Priority Deadline - APRIL 1
- Must be a Kansas Resident
- Enroll Full-Time in a qualified undergraduate program at a Kansas college/university

Kansas Comprehensive Grant



- Grant for needy full-time students attending Kansas “private college/university”
 - Designed to “halve the gap” between private & public tuition
- Awards range from \$400 - \$3,000
- Mail FAFSA by March 15
 - Priority process is April 1

Kansas Regents Supplemental Grant



- Grants for needy full-time students attending a Kansas public university
 - Eligibility based on state awarding formula
- Awards range from \$100 - \$1,100
- Mail FAFSA by March 15
 - Priority process date is April 1

Kansas Vocational Scholarship



- Award for students enrolled in approved one/two year vocational programs at community colleges/technical colleges/some 4-year colleges
- Requires a “Vocational Examination”
- 250 scholarships of \$500 awarded to eligible students with highest test scores

FINANCIAL AID

"WEB SITES"



- There are numerous internet sites which provide information pertaining to Federal Financial Aid, Scholarships, Student/Parent Loans, EFC Need Estimators, Tax Assistance, etc.
- These are free - and easily accessible

www.ed.gov



- **Financial Aid for Students**
- **Federal School Codes**
- **FAFSA on the Web**
- **HOPE Scholarship Information**

www.fafsa.ed.gov



- **Renewal Application on the Web**
- **Apply with the New FAFSA on the Web**
- **Print FAFSA off of the Web**
- **Obtain an EAC Code**
- **Print a Signature Page**

www.finaid.org



- **Loan Information**
- **Scholarship Information**
- **Military Aid**
- **College Selection**
- **Need Calculators**
- **Other types of Aid available**

THAT'S ALL FOR NOW



“COMING SOON”

SCHOLARSHIP
PRESENTATION