

What You Need to Know About Financial Aid

Olmsted Falls High School Financial Aid Night

January 11, 2010

- Nate Artino – Olmsted Falls High School Senior Counselor
- Jennifer McQuate – Cleveland Scholarship Program
- Becky Davis – Great Lakes Higher Education Corporation

Olmsted Falls Local Scholarship Program

- Comprised of local businesses, organizations, school groups, and individuals
- Class of 2009
 - 70 Sponsors
 - 240 Scholarships
 - \$118,000
- Applications are due in the OFHS Guidance Office by 3.30pm on February 11th
- All scholarships will be announced on Senior Honor Day in May 2010

What is Financial Aid?

Financial aid is funds provided to students and families to help pay for postsecondary educational expenses

Types of Financial Aid

- Scholarships
- Grants
- Loans
- Employment including Work Study

Other Scholarship Resources

- OFHS Counselors' Corner Website
 - 2009-10 Scholarship Opportunities
 - Updated weekly
 - Numerous additional scholarship links
- College/Universities Financial Aid Offices
- Cleveland Scholarship Program

Cleveland Scholarship Program

- Advisor - Jennifer McQuate (jmcquate@cspohio.org)
- Contact Mrs. Tommye Laut (tlaut@ofcs.net or 427.6116) to schedule an individual appointment
- January 20 4:00 p.m. – 7:30 p.m.
- January 27 4:00 p.m. – 7:30 p.m.
- February 3 4:00 p.m. – 7:30 p.m.
- February 10 4:00 p.m. – 7:30 p.m.
- February 17 4:00 p.m. – 7:30 p.m.
- February 24 4:00 p.m. – 7:30 p.m.
- March 3 8:00 a.m. – 3:00 p.m.
- March 10 4:00 p.m. – 7:30 p.m.
- March 17 4:00 p.m. – 7:30 p.m.
- March 24 4:00 p.m. – 7:30 p.m.
- April 7 4:00 p.m. – 7:30 p.m.
- April 13 12:00 p.m. – 7:00 p.m.
- April 21 8:00 a.m. – 3:00 p.m.

What You Need to Know About Financial Aid

College is not cheap!

- The average cost of a 4 year public university in Ohio is around \$21,000 per year
- The average cost of a 4 year private university in Ohio is around \$36,000 per year
- The average cost of a 2 year community college in Ohio is around \$6,000 per year

How can I afford this!?

Financial Aid Consists Of:

- Grants and Scholarships
- Student Loans
- Work Study

Where does financial aid come from?

- The greatest source of financial aid comes from the college or university, followed by the government (FAFSA)
- There are two types of financial aid :
 - Merit Based
 - and
 - Need Based

Merit Based

- Grade Point Average, ACT/SAT scores, Class Rank and/or Challenging Curriculum can be considered
- Extra Curricular Activities
- Leadership/Community Service Activities
- Special abilities or talents
- Often requires additional application and materials
- Found within the college, through religious, civic, ethnic, and social affiliations

Need Based

- Requires the FAFSA
- Requires admission to a college or university
- Based on a family's ability to pay, according to FAFSA

What is the FAFSA?

- The form everyone fills out to determine eligibility for financial aid
- Completed after January 1 – based on previous years tax information
- Submitted electronically – processes and the info goes to you and your designated colleges
- Colleges use the info as a framework for what you may be eligible for

What You Need to Know About Financial Aid

FAFSA

- Uses information provided to calculate the Expected Family Contribution or EFC
 - The amount of money a student and his or her family may reasonably be expected to contribute towards the cost of the student's education for an academic year
- Colleges use EFC to award financial aid

What is the Expected Family Contribution (EFC)?

- Amount family can reasonably be expected to contribute
- Stays the same regardless of college
- Two components
 - Parent contribution
 - Student contribution
- Calculated using data from a federal application form and a federal formula

Student Aid Report

- A report generated from a processed FAFSA – contains all info entered on the FAFSA and an EFC (if the FAFSA processed correctly)
- When family receives the SAR, colleges designated on the FAFSA to receive the results get a similar report called an ISIR
- Financial Aid offices use this data to award financial aid – and eventually 'package' a student with a financial aid award letter

FAFSA Processing Results

Central Processing System (CPS) notifies student of FAFSA processing results by:

- Paper Student Aid Report (SAR) if paper FAFSA was filed and student's e-mail address was not provided
- SAR Acknowledgement if filed FAFSA on the Web and student's e-mail address was not provided

FAFSA Processing Results

- CPS notifies student of FAFSA processing results by:
 - E-mail notification containing a direct link to student's on-line SAR if student's e-mail was provided on paper or electronic FAFSA
- Student with PIN may view SAR on-line at www.fafsa.ed.gov

What is Cost of Attendance (COA)?

- Direct costs – tuition/fees, room and board
- Indirect costs – personal, transportation, and books
- Direct and indirect costs combined into cost of attendance
- Varies widely from college to college

What You Need to Know About Financial Aid

What is Financial Need?

Cost of Attendance

- Expected Family Contribution
- = Financial Need

FAFSA on the Web



- Web site: www.fafsa.ed.gov
- 2009-10 FAFSA on the Web available on now
- FAFSA on the Web Worksheet:
 - Used as “pre-application” worksheet
 - Questions follow order of FAFSA on the Web

FAFSA on the Web

Good reasons to file electronically:

- Built-in edits to prevent costly errors
- Skip-logic allows student and/or parent to skip unnecessary questions
- More timely submission of original application and any necessary corrections
- More detailed instructions and “help” for common questions
- Ability to check application status on-line
- Simplified application process in the future

FASFA4caster

- Provides an estimated Expected Family Contribution (EFC)
- Calculates eligibility for federal aid, including grants
- Reduce time to complete FASFA
- Access at www.federalstudentaid.ed.gov

Frequent FAFSA Errors

- Social Security Numbers
- Divorced/remarried parental information
- Income earned by parents/stepparents
- Untaxed income
- U.S. income taxes paid
- Household size
- Number of household members in college
- Real estate and investment net worth

Making Corrections

If necessary, corrections to FAFSA data may be made by:

- Using FAFSA on the Web (www.fafsa.ed.gov) if student has a PIN;
- Updating paper SAR or
- Submitting documentation to college’s financial aid office

What You Need to Know About Financial Aid

Special Circumstances

- Cannot report on FAFSA
- Send explanation to financial aid office at each college
- College will review special circumstances
 - Request additional documentation
 - Decisions are final and cannot be appealed to U.S. Department of Education

Special Circumstances

- Change in employment status
- Medical expenses not covered by insurance
- Change in parent marital status
- Unusual dependent care expenses
- Student cannot obtain parent information

Scholarships and Financial Aid

- Grades and course selection matter – from grades 9-12
- College and scholarship applications start the BEGINNING of the 12th grade year
- Sources for outside scholarships can include employers, unions, churches, clubs, and civic organizations
- Searching for scholarships requires hard work, good organization, and time – but it can be worth it!

Web Resources

- www.finaid.org
- www.collegeboard.com
- www.fafsa.ed.gov
- www.salliemae.com
- www.petersons.com
- www.glhec.org
- www.nasfaa.com
- www.cspohio.org

Borrowed Money

Two Types of Loans:

1. Federal
2. Private (alternative loans)

BOTH MUST BE PAID BACK!

Types of Loans

- Federal Loans – Perkins
- Borrower: Student
- Based on Need? Yes
- Interest Rate: 5%
- Repayment Begins: 9 months after graduating or dropping below half-time status
- Maximum Amount Per Year: \$4,000

What You Need to Know About Financial Aid

Types of Loans

- Federal Loans – Stafford
- Borrower: **Student**
- Based on Need? **Subsidized=Yes, Unsubsidized=No**
- Interest Rate on Subsidized: **6.8%**
- Interest Rate on Unsubsidized: **6.8%**
- Repayment Begins: **6 months after graduating or dropping below half-time status**
- Maximum Amount Per Year (Subsidized and Unsubsidized Combined, for Freshman): **\$5,500**

Types of Loans

- Federal Loans – PLUS
- Borrower: **Parent**
- Based on Need? **No**
- Interest Rate: **8.5%**
- Repayment Begins: **Within 60 days of loan being fully disbursed or six months after your child ceases to be enrolled at least half-time**
- Maximum Amount Per Year: **Difference between the cost of attendance and financial aid offered to the student**

Private Loans

- Offered by private lenders
- Terms and conditions vary
- Consider them last

PLUS Loans and Private Loans

- Options if you need additional funds after seeing how much aid you are offered by the college
- Applications and information available from colleges or lenders

THANK YOU FOR ATTENDING!

- Additional questions?
 - Sherry Davis – Senior Counselor (A-F)
 - sdavis@ofcs.net or 427.6119
 - Lisa Meinhardt – Senior Counselor (G-M)
 - lmeinhardt@ofcs.net or 427.6118
 - Nate Artino – Senior Counselor (N-Z)
 - nartino@ofcs.net or 427.6120
 - Jennifer McQuate – Cleveland Scholarship Advisor
 - jmcquate@espohio.org