

# **Financial Aid:**

**What is Available & How to Apply**

# Tonight's Topics

- ◆ Types of aid and where each comes from
- ◆ **FAFSA**: Free Application for Federal Student Aid
- ◆ Terms: Cost, Family Contribution, Need, Verification
- ◆ Special Circumstances - what to report & how
- ◆ Scholarships

# Aid That's Free

## Scholarships (college/university, states, private sources)

- ◆ usually merit-based
- ◆ application process varies
- ◆ **Examples:** academic, athletic, music, MTI (Minority Teachers of Illinois), CVS-Caremark

## Grants (college/university, states, federal government)

- ◆ usually need-based
- ◆ requires a common application (“FAFSA”)
- ◆ **Examples:** Federal Pell Grant, IL MAP Grant, Lake Forest College Grant

# Aid That's Earned

## Work-Study

- ◆ part-time job, usually on campus
- ◆ might involve community service
- ◆ might be need-based *or* non-need-based
- ◆ flexible hours and schedule (common 5-15 hrs/wk)
- ◆ payment by check or credited to the bill

# Aid That's Repaid

## Federal Stafford Loan

- ◆ **Student** is the borrower
- ◆ Federal government is the lender
- ◆ Fixed rate, set annually (2.75%, 4.53%, 5.05%, 4.45%)
- ◆ Repayment: six months after graduation *or*  $< \frac{1}{2}$  time
- ◆ Fr, \$5500    So, \$6500    Jr, \$7500    Sr, \$7500
  - ◆ *subsidized* = need-based
    - no interest while enrolled  $\geq$  half-time
    - **maximums:** Fr, \$3500    So, \$4500    Jr, \$5500    Sr, \$5500
  - ◆ unsubsidized = *not* need-based
    - interest charged while enrolled (can postpone payment)
    - \$2000 ... more, if not eligible for full subsidized loan

# Aid That's Repaid

## Non-Federal (Private) Loans

- ◆ **Student** is the borrower
- ◆ **Ex:** Discover, SallieMae, Wells Fargo
- ◆ Eligibility = Cost – Aid
- ◆ cosigner required (their credit determines your rate)
- ◆ rates *variable* or *fixed*
- ◆ interest charged during school
- ◆ repay immediately or defer until after graduation

# Aid That's Repaid

## Federal PLUS Loan

- ◆ **Parent** is the borrower
- ◆ Federal government is the lender
- ◆ Eligibility = Cost – Aid
- ◆ interest charged while enrolled
- ◆ fixed rate, set annually (5.3%, 7.08%, 7.6%, 7.0%)
- ◆ repay immediately or defer while enrolled at least half-time

# How to Apply: The FAFSA

- ◆ FAFSA = Free Application for Federal Student Aid
- ◆ [fafsa.gov](https://fafsa.gov) (Spanish, paper, call-in options also available)
- ◆ Used for grants, loans, work-study
- ◆ Student must be a U.S. citizen or permanent resident
- ◆ Completed annually
- ◆ **2021-2022 available Thursday, October 1!**





# The FAFSA



- ◆ Completed by the student *and* custodial parent(s)
- ◆ 100+ questions
  - ◆ many are student demographic (10-15 minutes)
  - ◆ college choices, family info (5 minutes)
  - ◆ student / parent financial question
    - ◆ 2019 income and *some* current assets
    - ◆ no significant changes vs. '20-21 FAFSA (tax details, line #s)
- ◆ EFC or *estimated expected family contribution*

“A measure of your family’s financial strength...used to determine your federal student aid eligibility. It is not the amount of money your family will have to pay for college.” (source: *studentaid.ed.gov*)
- ◆ Determines eligibility for “need-based” aid
- ◆ Can be sent to **10** colleges. Add or change colleges later.

# The FAFSA



- ◆ What you will need (partial list):
  - ◆ FSA IDs for student and parent [fsaid.ed.gov](https://fsaid.ed.gov)
  - ◆ SSN & DOB of student and *custodial parent(s)*
    - ◆ *if a parent does not have an SSN, enter all zeros*
  - ◆ 2019 income of student and *custodial parent(s)*
  - ◆ Asset records (savings/checking, investments, business/farm)
    - ◆ *not retirement, primary home, family business/farm*
  - ◆ List of probable colleges/universities
    - ◆ match with your applications for admission

# FAFSA Deadlines



## Know them!

- ◆ College/University dates
  - ◆ preferred or “hard and fast”?
- ◆ Illinois MAP Grant – up to **\$5340** to those who qualify
  - ◆ 2021-22, **deadline not announced...but don't delay!**
  - ◆ 2020-21, June 30
  - ◆ 2019-20, May 26
  - ◆ 2018-19, February 27

# FAFSA Help

- ◆ D214 FAFSA Completion Nights
- ◆ College/University Financial Aid Offices
- ◆ ISACorps Events (*isac.org*)



# FAFSA: Getting Started

Federal Student Aid  
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

UNDERSTAND AID ▾ APPLY FOR AID ▾ COMPLETE AID PROCESS ▾ MANAGE LOANS ▾

## Complete the FAFSA® Form

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

### New to the FAFSA® Process?

Completing the FAFSA form is free. Fill it out now.

[Start Here](#)

### Returning User?

Correct info | Add a school

View your *Student Aid Report (SAR)*

[Log In](#)

### Login

**Log in to FAFSA**

Only students may use their FSA ID to log in. Parents and others can start a FAFSA for a student by entering the student's identifiers. Parents and others can also work on a FAFSA for a student or correction the student made using the **Save Key** that the student made. [Help for parents](#)

Form Approved  
OMB No. 1845-0001  
App. Exp. 12/31/2019

I am the student OR  I am a parent, preparer, or student from a Freely Associated State

**Do not log in with the FSA ID if you are not the student.**

Don't have an FSA ID? [Create one](#) or login using the [student's identifiers](#).

The student's FSA ID Username or Verified E-mail Address

[Forgot Username](#)

The student's FSA ID Password

[Forgot Password](#)

### Start Student's 2020-2021 FAFSA

#### STUDENT INFORMATION

Form Approved  
OMB No. 1845-0001  
App. Exp. 12/31/2021

**Create a Save Key.**  
The Save Key is for temporary use for you or your parent to return and complete this specific FAFSA.

Create a Save Key

Re-enter Save Key

[MY FAFSA](#) [NEXT](#)

# FAFSA Help - online

The screenshot shows the top navigation bar of the FAFSA Help website. It includes buttons for 'Exit', 'Reset FAFSA', 'View FAFSA Summary', 'Save', and 'Help'. Below this is a breadcrumb trail 'Introduction - 2020-2021 FAFSA'. A 'STUDENT INFORMATION' tab is active, and a list of help topics is displayed. A red arrow points to the 'Help' button, another to the breadcrumb, and a third to the first help topic, 'How can I get help completing my FAFSA?'. A blue 'Expand All' link is also visible.

Exit   Reset FAFSA   View FAFSA Summary   Save   Help

Introduction – 2020-2021 FAFSA

STUDENT INFORMATION [Expand All](#)

- > How can I get help completing my FAFSA?
- > How many steps does it take to complete?
- > How long will it take to complete?
- > Can I save my FAFSA if I can't finish it?
- > Documents needed to complete the FAFSA
- > Signing the FAFSA

# If 2019 Tax Return *Is Done*...

Parent Tax Filing Status

Student Demographics School Selection Dependency Status Parent Demographics Financial Information Sign & Submit Confirmation

**PARENT INFORMATION**

For 2017, have your parents completed their IRS income tax return or another tax return?

Already completed

For 2017, what is your parents' tax filing status according to their tax return?

Married-Filed Joint Return

Did your parents file a Puerto Rican or foreign tax return for 2017?

Yes  No

**IRS Data Retrieval Tool**

Applying is faster and easier if your parents transfer their tax return information into this FAFSA with the IRS Data Retrieval Tool (IRS DRT):

[LINK TO IRS](#)

- ◆ Use the IRS Data Retrieval Tool (DRT) if possible
  - ◆ immediately transfers key answers from 2019 tax return
  - ◆ reduces errors and probability of “verification”

# Electronic Signature: FSA ID

- ◆ Student needs one *and* at least one parent needs one
- ◆ Can apply today ... *fsaid.ed.gov*
- ◆ Must have SSN
- ◆ Know it ... save it ... keep it ... phone? / file?
- ◆ Challenge questions
- ◆ About the **Save Key**

The screenshot shows the Federal Student Aid website interface. At the top left is the logo for Federal Student Aid, with the tagline 'An OFFICE of the U.S. DEPARTMENT of EDUCATION'. To the right of the logo is the text 'PROUD SPONSOR of the AMERICAN MIND®'. Below the header, the main heading is 'Create a New FSA ID'. Underneath this heading is a paragraph explaining that an FSA ID is a username and password that provides access to online systems and can serve as a legal signature. A second paragraph states that the user must create the FSA ID using their own personal information and for their own exclusive use, and that they are not authorized to create one on behalf of someone else, including a family member. Below the text are two tabs: 'Create an FSA ID' (which is active) and 'Manage My FSA ID'. The form area contains the instruction 'Create your FSA ID username and password below.' followed by three input fields: 'Username', 'Password', and 'Confirm Password'. Each input field has a small circular icon to its right. Below the 'Password' field, there are five checkboxes indicating password requirements: 'Numbers', 'Uppercase Letters', 'Lowercase Letters', '8-30 Characters', and 'Show Text'. All checkboxes are checked.



# Other Forms

## ◆ Verification...What is it?

- ◆ 30% of all FAFSAs are selected
- ◆ random selection / inconsistencies (ex: income vs. tax paid)
- ◆ confirms data reported on the FAFSA
- ◆ confirms number in household, number in college
- ◆ document 2019 income



## ◆ Other Possible Forms

- ◆ CSS Profile (10% of colleges/universities)
- ◆ School-specific form(s)
- ◆ special circumstances (income changes, healthcare costs, etc.)

# Determining “Need”

If your **expected family contribution** is less than the **cost of attendance** you have “**financial need**” and can receive need-based financial aid.

Cost of Attendance

- Estimated Expected Family Contribution (“EFC”)

= **Financial Need**



# Differences in Need

	<u>Private College</u>	<u>Public Univ.</u>	<u>Community College</u>
Cost <sup>1</sup>	\$65,000	\$30,000	\$10,000
- "EFC" <sup>2</sup>	5,000	5,000	5,000
= Need	\$60,000	\$25,000	\$5,000

When the **cost** is different, your **need** and **eligibility** are different.

<sup>1</sup> Cost = tuition, fees, room, board, books, personal expenses & travel.

<sup>2</sup> Scenario: Family of 5, with 1 child in college

\$60,000 income and less than \$20,000 in savings/invest's

# Differences in Financial Aid

	<u>Lake Forest</u>	<u>Public Univ</u>	<u>Comm. College</u>
Financial Need	\$60,000	\$25,000	\$5,000
College Aid	41,000	5,000	3,400
State Grant	5,340	5,340	700
Federal Grants	2,200	1,000	1,000
Student Loan	5,500	5,500	on request
Work-Study	2,500	2,500	on request
Total Aid	\$56,540	\$19,340	\$5,100 +



# Award Letter

- ◆ After admission decision
- ◆ November – April
- ◆ Mail, Email, Web/Portal
- ◆ Details vary. Ask Financial Aid *or* Admissions Office



LAKE FOREST  
COLLEGE

## 2020–2021 Financial Aid Award Letter

PREPARED FOR:

**Madison Forester**

November 1, 2020

Lake Forest ID: 555555

Dear Madison,

We are pleased to provide you with this summary of your financial aid eligibility and estimated costs.

The document "[How to Read Your Award Letter](#)" and [this short video](#) will provide helpful details of your financial aid.

### PART 1: YOUR ESTIMATED COSTS

[lakeforest.edu/costs](http://lakeforest.edu/costs)

As a full-time student living ON CAMPUS, the normal cost of tuition, fees, housing and meals is \$80,768.

Your actual cost may be higher depending on your housing selection, and if you use the College's health insurance.

You should plan for [other costs](#), such as books, personal expenses, travel, etc.

### PART 2: YOUR FINANCIAL AID ELIGIBILITY

We are offering you the following [scholarships](#) and/or [grants](#) which do not have to be repaid:

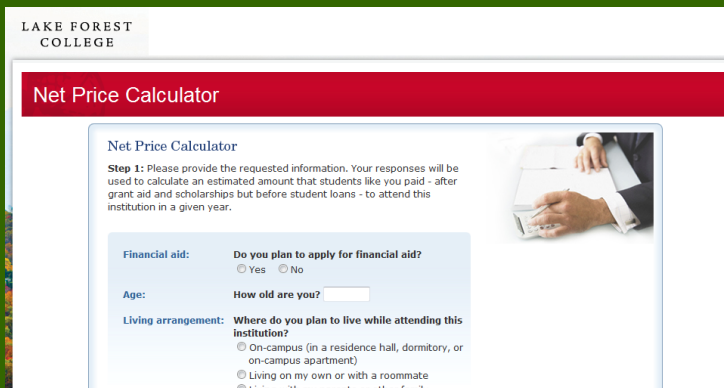
	Fall '20	Spring '21	Total
Presidential Scholarship	\$14,000	\$14,000	\$28,000
Forester Flagship Grant	\$5,500	\$5,500	\$11,000
Campus Visit Incentive Grant	\$1,000	\$1,000	\$2,000
Federal Pell Grant (Est)	\$800	\$800	\$1,200
Federal Supp'l Grant [SEOG] (Est)	\$500	\$500	\$1,000
State of IL MAP Grant (Est)	\$2,670	\$2,670	\$5,340
	-----	-----	-----
Total Scholarships and Grants	\$24,481	\$24,458	\$48,920

You are also eligible for the following [loans](#), which are repaid after graduation:

	Fall '20	Spring '21	Total
Fed'l Direct Stafford Loan, subsidized	\$1,750	\$1,750	\$3,500
Fed'l Direct Stafford Loan, unsubsidized	\$1,000	\$1,000	\$2,000
	-----	-----	-----
Total Loans	\$2,750	\$2,750	\$5,500

# Net Price Calculators

- ◆ Will provide an estimate of eligibility for need-based aid
- ◆ Not an application for financial aid
- ◆ Found on each college's website



LAKE FOREST COLLEGE

## Net Price Calculator

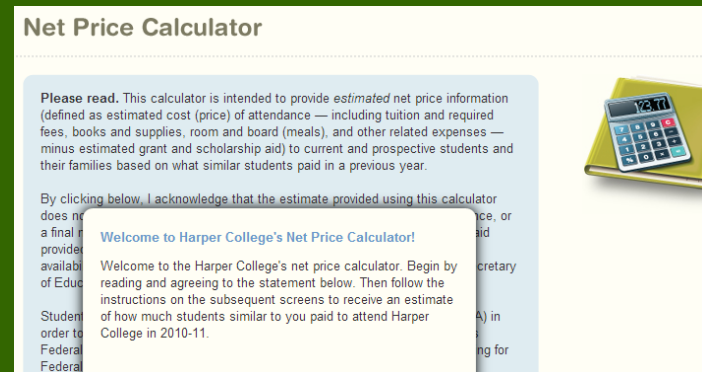
**Net Price Calculator**

**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 this 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



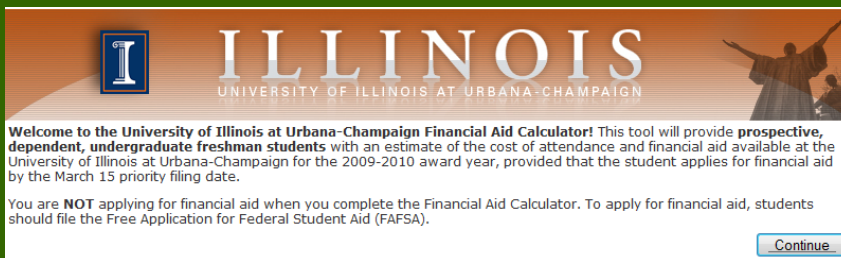

## Net Price Calculator

**Please read.** This calculator is intended to provide *estimated* net price information (defined as estimated cost (price) of attendance — including tuition and required fees, books and supplies, room and board (meals), and other related expenses — minus estimated grant and scholarship aid) to current and prospective students and their families based on what similar students paid in a previous year.

By clicking below, I acknowledge that the estimate provided using this calculator does not constitute a final net price, and that the estimate is not a guarantee of financial aid availability. I understand that the estimate is based on data from the Department of Education's Federal Student Aid (FSA) database.

**Welcome to Harper College's Net Price Calculator!**

Welcome to the Harper College's net price calculator. Begin by reading and agreeing to the statement below. Then follow the instructions on the subsequent screens to receive an estimate of how much students similar to you paid to attend Harper College in 2010-11.

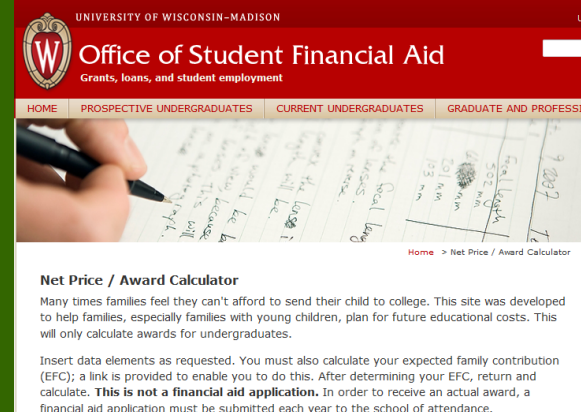


## ILLINOIS UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN

**Welcome to the University of Illinois at Urbana-Champaign Financial Aid Calculator!** This tool will provide **prospective, dependent, undergraduate freshman students** with an estimate of the cost of attendance and financial aid available at the University of Illinois at Urbana-Champaign for the 2009-2010 award year, provided that the student applies for financial aid by the March 15 priority filing date.

You are **NOT** applying for financial aid when you complete the Financial Aid Calculator. To apply for financial aid, students should file the Free Application for Federal Student Aid (FAFSA).

[Continue](#)



## UNIVERSITY OF WISCONSIN-MADISON Office of Student Financial Aid


Grants, loans, and student employment

HOME | PROSPECTIVE UNDERGRADUATES | CURRENT UNDERGRADUATES | GRADUATE AND PROFESSIONAL STUDENTS

**Net Price / Award Calculator**

Many times families feel they can't afford to send their child to college. This site was developed to help families, especially families with young children, plan for future educational costs. This will only calculate awards for undergraduates.

Insert data elements as requested. You must also calculate your expected family contribution (EFC); a link is provided to enable you to do this. After determining your EFC, return and calculate. **This is not a financial aid application.** In order to receive an actual award, a financial aid application must be submitted each year to the school of attendance.



# Scholarships

- ◆ Students: set aside time *now* to do the research
- ◆ Students: mark calendars for future deadlines
- ◆ Each provider determines the criteria
- ◆ Ability is a significant factor in selection
- ◆ Need *may* play a part in the decision
- ◆ Scholarships are applied *toward* a student's need
- ◆ Every bit helps ... \$500 ... \$1000 ... *maybe more*



# Outside Scholarship Sites

- ◆ Naviance (see College and Career Web site)
- ◆ [www.apiasf.org/scholarship](http://www.apiasf.org/scholarship) (Asian & Pacific Islanders ...)
- ◆ [bigfuture.collegeboard.com/scholarship-search](http://bigfuture.collegeboard.com/scholarship-search)
- ◆ [www.fastweb.com](http://www.fastweb.com)
- ◆ [www.hsf.net/scholarship](http://www.hsf.net/scholarship) (Hispanic Sch Fndtn, *live January 1*)
- ◆ [www.legion.org/scholarships](http://www.legion.org/scholarships) (not just military)
- ◆ [www.scholarships.com](http://www.scholarships.com)
- ◆ [www.uncf.org/scholarships](http://www.uncf.org/scholarships)
- ◆ ...and many more...**know the deadlines!**
- ◆ **Is a fee charged, or sound too good to be true?**





# Other Resources

- ◆ U.S. Dept of Education [www.studentaid.ed.gov](http://www.studentaid.ed.gov)
- ◆ State of Illinois [www.collegeillinois.org](http://www.collegeillinois.org)
- ◆ Parents' Employer(s)

The image shows two overlapping website screenshots. The top-left screenshot is from the Federal Student Aid website, featuring a search bar and navigation tabs for 'Prepare for College', 'Types of Aid', 'Who Gets Aid', 'FAFSA: Apply for Aid', and 'How to Repay Your Loans'. The bottom-left screenshot is from the ISAC website, displaying a 'Types of Aid' section with the text: 'Financial aid is money to help pay for college or career school. Grants, work-study, loans, and scholarships make college or career school affordable.' The right side of the image shows a collage of ISAC promotional content, including a navigation menu with links for 'STUDENTS & PARENTS >', 'COLLEGE ILLINOIS! >', 'RESEARCH & POLICY >', 'NEWSROOM', and 'ABOUT ISAC >'. Below this is a banner for 'ISACorps' with the text 'ARE YOU A RECENT COLLEGE GRADUATE OR GETTING READY TO GRADUATE? LOOKING FOR A JOB?' and a 'Tell Me More!' button. Further down are buttons for 'Join ISACorps', 'AIM HIGH', 'College Outreach', 'Student Portal', and 'FAFSA Initiative'. At the bottom, there is a 'Featured' section with a red arrow pointing to the 'ISAC Student Portal' logo and another red arrow pointing to 'RISE Act Implementation' and 'Beware of Student Loan Repayment Scams'. To the right of the featured section is a video player titled 'What's your path after high school? ISAC can help you find it...' with a play button and a 'Celebrating 10 Years' graphic.

# Newer Illinois Initiative

- ◆ RISE Act, effective 2020-2021 academic year
- ◆ Undocumented students, certain transgender students
- ◆ Illinois residents are eligible for state aid & benefits
- ◆ Online application *isac.org*



The screenshot shows the ISAC (Illinois Student Assistance Commission) website. The header includes the ISAC logo and navigation links: COUNSELORS, E-LIBRARY, FAA'S, GAP ACCESS, and a SEARCH bar. A left sidebar contains a menu with links: HOME, STUDENTS & PARENTS >, COLLEGE ILLINOIS! >, RESEARCH & POLICY >, NEWSROOM, and ABOUT ISAC >. The main content area features a yellow banner with the text "Important information for Undocumented & Transgender Students". Below this is a blue box with the heading "ALTERNATIVE APPLICATION FOR ILLINOIS FINANCIAL AID" and a sub-heading "A new path for qualified undocumented students and transgender students who are not eligible for federal financial aid to apply for MAP grants". A red arrow points to a "LEARN MORE" button. At the bottom, a navigation bar includes links for "6/4/2020 Message", "Coronavirus", "Alternative App", "College Outreach", and "FAFSA Initiative".

# Remember ...

**Know all deadlines...** college, scholarship, FAFSA, etc.

If what you pay will be a factor in your decision, do not assume you won't qualify or cannot afford a college. Instead, **complete** the financial aid process, **wait** for the award letter, **compare** the numbers, *then decide*.



*You just might be surprised!*

# A Few Questions Now...

Or, general questions later...

Mark Anderson

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Associate Director of Financial Aid

Lake Forest College

- *Please begin the subject line with 'D214 Session'*