What You Need to Know

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Topics We Will Discuss

- What is financial aid?
- Cost of Attendance (COA)
- Expected Family Contribution (EFC)
- What is financial need?
- Categories, types, and sources of financial aid.
- Free Application for Federal Student Aid (FAFSA)
- Special Circumstances.

When to File?

- Early FAFSA Filing: October 1st, 2019
 - Most people can use the IRS Data Retrieval Tool to complete the 2020-21 FAFSA using your 2018 information.
- We recommend that you use the IRS Data Retrieval tool.
- https://studentaid.ed.gov/sa/fafsa

The Application Process

- The financial aid process begins with the Free Application for Federal Student Aid (FAFSA)
- Students and parents must complete the FAFSA annually within established deadlines to determine eligibility for:
 - Federal aid
 - State aid
 - Institutional aid

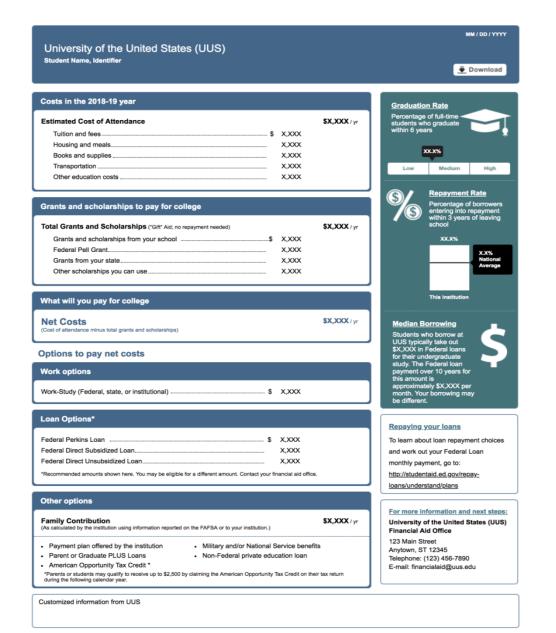
Get Organized

- Have a 3-ring binder
- Break up into Admissions, Fin Aid,
 Other
- Go on the website
- Net Price Calculator
- Ask questions

What is Cost of Attendance (COA)?

- Direct costs
- Indirect costs
- Direct and indirect costs combined into cost of attendance
- Varies widely from college to college

Federal Shopping Sheet



What is the Expected Family Contribution (EFC)?

- An index used to determine eligibility
- Stays the same regardless of college
- Two components:
 - Parent contribution
 - Student contribution
- Calculated using data from a federal application form and a federal formula

What is Financial Need?

Cost of Attendance

- -Expected Family Contribution
- =Financial Need

Categories of Financial Aid

- Need-based
- Non need-based

Example of Need:

Cost of attendance: \$30,000

EFC: - \$2,000

Need: \$28,000

Example of No Need:

Cost of attendance: \$30,000

EFC: <u>-\$30,000</u>

Need: \$0

Types of Financial Aid

- Scholarships good grades pay!
- Grants
- Loans
- Employment

Types of Financial Aid

- RaiseMe Scholarships
- Earn scholarships from William Paterson University for your achievements in high school
- https://www.raise.me/join/wpunj

Federal Government

- Largest source of financial aid
- Aid awarded primarily on the basis of financial need
- Must apply every year using the Free Application for Federal Student Aid (FAFSA)
- A word about Veteran Benefits

Common Federal Aid Programs

General Programs

- Federal Pell Grant
- Teacher Education
 Assistance for College
 and Higher Education
 Grant
- Direct Loans
- PLUS Loans

Campus Based

- Federal Supplemental Educational Opportunity Grant
- Federal Work-Study

Loans

- Federal Direct Loan Program
 - Subsidized Direct Loan (5.05%)
 - Unsubsidized Direct Loan (5.05 %)
 - PLUS (7.60%) Parent only
- Institutional / Private Loans

Direct Student Loans

<u>Year</u>	Subsidized	<u>Unsubsidized</u>
Fresh	\$3,500	\$2,000
Soph	\$4,500	\$2,000
Junior	\$5,500	\$2,000
Senior	\$5,500	\$2,000

- For families with no need these loans are all unsubsidized
- Website to learn more about federal loans:
 - www.studentloans.gov

If a Parent is Denied a PLUS Loan

 Student can get additional Unsubsidized Direct Loan

– Fresh \$4,000

- Soph \$4,000

– Junior \$5,000

– Senior \$5,000

State Aid

- Residency requirements
- Award aid on the basis of both merit and need
- Use information from the FAFSA
- Deadlines vary by state; check paper FAFSA or FAFSA on the Web

New Jersey State Aid

- TAG (Tuition Aid Grant) & Part-Time TAG for County Colleges
- EOF (Educational Opportunity Fund)
- Governor's Urban Scholarship
 - Rank in the top 5% of the high school graduating class
 - Attain a 3.0 GPA at the end of the junior year
 - Must graduate from a traditional public, public charter, county vocational or non-public school and reside in an eligible area
 - Have a New Jersey Eligibility Index below 10,500

State Verification

- Additional Information Request (AIR)
 - Further information requested by HESAA
 - Tax return(s)
 - Bank statements
- Selected for State verification
 - Unlike federal verification, which is completed by colleges, HESAA conducts State verification. HESAA should be informed if first college listed on FAFSA is not the college the student is attending; change online at https://njfams.hesaa.org/NJFAMS/login.aspx
- Student Eligibility Notice (SEN)
 - Mailed to student from HESAA

Private Scholarship Search

- Institution / college websites
- Local library resources
- Local businesses, civic organizations and churches
- Parents' employer(s)
- www.hesaa.org
- www.bigfuture.collegeboard.org

When to Complete the FAFSA

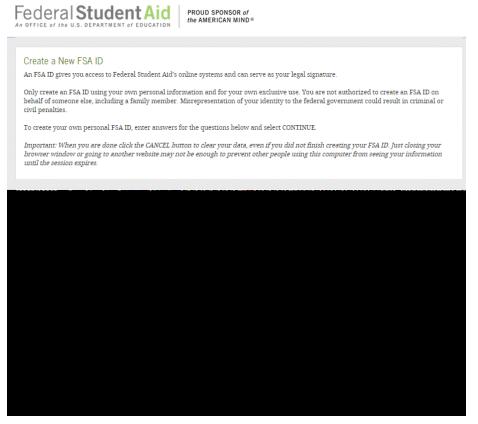
- May be filed at any time during an academic year, but no earlier than October 1st prior to the academic year for which the student requests aid
- For the 2020-21 academic year, the FAFSA may be filed beginning October 1, 2019
- Colleges may set FAFSA filing deadlines

IRS Data Retrieval Tool

- Some will be unable to use IRS DRT
- Examples include:
 - Filed an amended tax return
 - No Social Security Number (SSN) was entered
 - Student or parent married, but filed separately

FSAID

- Sign FAFSA electronically
- Not required, but speeds up processing
- May be used by students and parents throughout aid process, including subsequent school year
- Only the owner should create a FSA ID



https://fsaid.ed.gov/npas/indexhtm

General Highlighted Eligibility Requirements

- Must have a valid Social Security Number
- Must be enrolled or accepted for enrollment in an eligible program of study
- Must be pursuing a degree, certificate, or other recognized credential
- Must be a U.S. citizen or eligible noncitizen
- Must be registered with Selective Service (males are required)

HESAA Services

- HESAA Web site
 - www.hesaa.org
 - https://njfams.hesaa.org/NJFAMS/login.aspx
- Financial Aid Hotline
 - **609-584-4480**
- NJBEST

Federal Verification

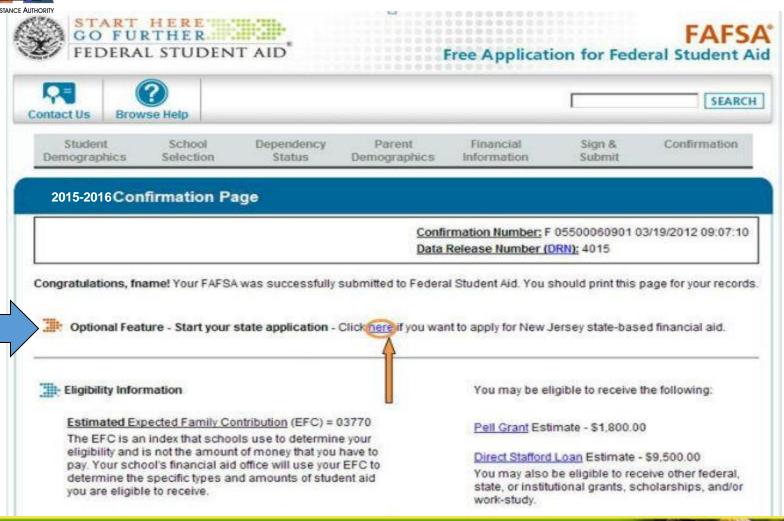
- Must complete verification process
 - 1. Download a Tax Return Transcript from IRS: www.irs.gov
 - 2. Use the IRS Data Retrieval Process in 2 Ways:
 - as part of the original application, or
 - to complete verification requirements
- Video Tutorial

IRS Data Retrieval Tool

- Available NOW!
- Allows an applicant who has already filed their tax return with IRS to electronically transfer data from tax return to FAFSA
- Participation is strongly encouraged reduce documents requested by financial aid office
- Not available to applicants with a recent change in marital status
- If married, use the husband's information
- Address is case sensitive



Click to Apply for State Aid



We help students lay the foundation for a solid financial future



Frequent FAFSA Errors

- Social Security Numbers and DL
- Divorced / remarried parental information
- Income earned by parents / stepparents
- Untaxed income
- Wages left blank
- 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(https://studentaid.ed.gov/sa/fafsa

If estimated taxes are used, correct FAFSA with real taxes or using IRS Data Retrieval; or

Submitting documentation to college's financial aid office

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 (cont.)

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

Other Resources

- Outside Scholarships
- Campus Administered Payment Plans
- Campus Employment
- Specialized Campus Opportunities
 - Residential Advisors
 - Student Ambassadors
 - Student Tour Guides
 - Internships / CO-OP'S

Additional Websites

- www.studentaid.ed.gov
- https://collegescorecard.ed.gov/
- www.finaid.org
- http://nces.ed.gov/collegenavigator