

*"Preparing You Today  
For Tomorrow's Careers"*

## FINANCIAL AID 101 The College Process

March 2022

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New-Service Training  
Employment Program

**Sponsored by:**  
Harford County Public  
Schools - Parent Academy

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## AGENDA

- Understanding the College process
- Selecting a college(s) for admission
- Paying for college
- Preparing to start the semester
- Important processes to understand:  
when is aid applied, changing your schedule,  
making satisfactory academic progress



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## OVERALL TIMELINE

Sep	Oct	Mar	July	Aug	Sep	Oct	Dec
College search		Award and acceptance letters, MD MAR 1 deadline		Payment due or classes dropped		60% Completion	
	Begin FAFSA application		Set college schedule		10 <sup>th</sup> day classes		Semester grades

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## FINDING A COLLEGE

- Cost is the usually the most important factor
- Find a college that offers the program best suited for you
  - What are you interests and strengths?
  - Are there going to be jobs in this field?
- Location considerations – will you live on campus or commute
- Virtual tour or physical visit (see resource list)
- Timelines for admission and acceptance



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## FINDING A COLLEGE

- 2 year (community colleges ) offer several perks
  - Closes to home for commuting
  - Lower cost
  - A completed 2-year degree allows easy transfer to a 4-yr institution
- Out-of-state colleges may offer more institutional financial aid, but the tuition can be almost double
- Consider more than just the degree program: crime rate in the area or on campus, types of meal plans, dorms, state of the art classrooms and labs, job placement



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## FINDING A COLLEGE

- Use the **college website** to review admissions process: each application generally costs money to apply and has a deadline for applying.
- If this is a strong contender, make sure the **college code is on the FAFSA application**. You can always add more colleges to the FAFSA.
- **Understand what resources** they have to offer: tutoring, types and costs of meal plans, online versus in-person classes.
- Know the **commitment deadline**: you may be waiting for acceptance from a different college but will lose your spot if you don't commit



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## WHAT IS THE FINANCIAL AID PROCESS?

- Applying for financial aid begins in the senior year of high school
- Understand how much you need for College: Cost of Attendance
- Where will the money come from?
- Federal Aid – Can apply all year round
- State Aid: March 1 primary deadline for FAFSA but there are other scholarship specific deadlines.
- There is no specific income limit that should **not** file the FAFSA.



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## HOW MUCH SHOULD COLLEGE COST?

### Cost of Attendance

*(tuition, room/board, books, supplies, transportation and other expenses)*

### – Expected Family Contribution (EFC)

*(determined by the FAFSA)*

### Financial Need

*(amount needed in grants, scholarships and loans and other sources)*

**NOTE:** Every college shares their Cost Of Attendance budget so contact the Financial Aid Office for the details



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## SOURCES AND TYPES OF FINANCIAL AID



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## 4 PRIMARY SOURCES OF AID

- **Federal Aid:** determined by completing the Free Application for Federal Student Aid (FAFSA) . Form is filed annually.
- **State Aid:** for Maryland residents it is governed by the Maryland Higher Education Commission's Office of Student Financial Assistance (MHEC/OSFA). Uses the FAFSA for some programs while other programs have additional applications.
- **Private Aid:** provided by local businesses and other corporations (Grocery store, Lion's Club, Microsoft, etc).
- **Institutional Aid:** offered specifically from the college, from academic departments or alumni donations.



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## TYPES OF FINANCIAL AID

- Grants and Scholarships: can be gift aid or those with a service obligation. *Unfulfilled service obligations require repayment of the scholarship!*
- Loans
- Work-study

Note: Aid can be awarded based on financial need as determined by the FAFSA, academics (merit), talent ( music, athletics, etc) or career (program of study)



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## WHAT'S NEXT: I APPLIED FOR COLLEGES AND FINANCIAL AID

- Once you file your FAFSA you will be sent a Student Aid Report from the Dept. of Education: it will indicate the EFC and will be sent to every college you listed.
- Colleges who have received your FAFSA ...AND you have applied for admission will send you an award offer letter.
- The letter will indicate what institutional scholarships will be offered in addition to federal grants, work-study and loans.
- Some schools will estimate a State grant: *this is NOT a given!*
- You must indicate what awards you will accept: it is better to accept a federal student loan as part of the package. You can always decline it if not needed.



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## PREPARING FOR THE SEMESTER

- Once you have selected the college and accepted your financial aid package, prepare to select your classes. It is important to meet with a college counselor or program advisor who can guide you in selecting the classes.
- There are mandatory classes as well as recommended number of credits to take. Your financial aid **WILL BE IMPACTED** based on your credit load. E.g. some scholarships require you to be full time (Minimum of 12 credits).
- Late July: Colleges will expect full payment or proof of scholarships and loans to cover tuition or classes will be dropped. You will have to reregister and may not get the class, teacher or time slot you wanted.



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## CRUCIAL FOR PARENTS - FERPA

- Once a student is 18 a parent is not allowed to get information on the student's academic progress or financial aid.
- Prior to the start of the semester get your child to sign a Federal Education Rights and Privacy Act form (FERPA). This will authorize you to get information from the college. You may need to provide moral support or guidance for them.



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## BEGINNING THE SEMESTER

- If offered work-study make sure you work with the financial aid office prior to the start of the semester.
- Students tend to adjust their schedules in the first week...(don't like the teacher, class starts too early) **BEWARE:** after the 10<sup>th</sup> day of classes your schedule is "locked in" and other changes could affect your financial aid.
- Classes dropped or changed to Audit after the 10<sup>th</sup> day reflect on your transcript and affect GPA.
- October is the 60% completion of the semester. It is another benchmark to measure your academic progress.
- A successful completion ratio and minimum GPA are required to stay enrolled. Check college catalog or website for their requirements.



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## FINANCIAL AID OVERVIEW

Apply Early.....

Apply Often.....

Never-ending search.....



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## FEDERAL AID

- Pell Grant
- Stafford subsidized and unsubsidized loan
- Work-study



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## ALL FEDERAL AID REQUIRES FAFSA

- **Pell Grant:** Largest need-based grant for undergraduate students attending both full and part time. Amount determined by the FAFSA and can be used at any 2 or 4-yr public or private college.
- **Stafford Loan:** Taken in the student's name. Subsidized loan's interest paid by the Govt while you are in school. Amount is graduated based on the year in school.
- **Work-study:** Undergraduate employment on a campus earning a pay check for your college expenses.



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## THE FAFSA FORM: WHAT IS IT?

### Free Application for Federal Student Aid (FAFSA)

- Required to apply for financial aid and a federal loan
- Colleges use FAFSA results to determine eligibility for need-based aid
- No income limit to prevent applying for federal aid
- Generates Expected Family Contribution (EFC) used in determining your financial need



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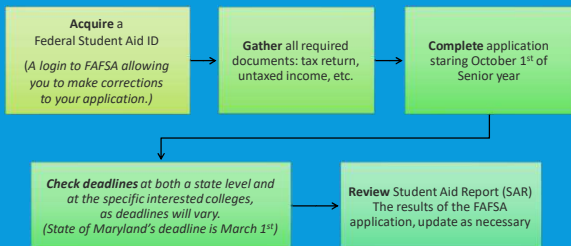
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## THE FAFSA FORM: STEPS TO COMPLETE



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## FAFSA TIPS

- Who Counts as a Parent?
  - Biological parents
  - Adoptive parents
  - Step-parent if married to biological or adoptive parent
- Foster parents, legal guardians, and other relatives are **NOT PARENTS**



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## THE FAFSA FORM: DEPENDENCY DETERMINATION

- Were you born before January 1, 1998?
- As of today are you married?
- At the beginning of the 2021-2022 academic school year will you be working on a master's or doctorate program?
- Are you currently serving in the US Armed Forces for purposes other than training?
- Are you a Veteran of the US Armed Forces?
- Do you have or will you have children who will receive more than half of their support from you between July 1, 2021 and June 30, 2022?
- Do you have dependents other than your children and spouse that will live with you or receive more than half of their support now thru June 30, 2022.
- At any time since you turned age 13 were both of your parents deceased, you were in foster care or you were a dependent or ward of the court?



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## THE FAFSA FORM: DEPENDENCY DETERMINATION

- As determined by your state of legal residence were you or are you an emancipated minor?
- Does someone other than your parent or stepparent have legal guardianship of you as determined by a court in your state of legal residence?
- At any time on or before July 1, 2020, did your high school or district homeless liaison determine you were an unaccompanied youth who was homeless or were self-supporting at the risk of being homeless?
- At any time on or before July 1, 2020, did the director of an emergency shelter or traditional housing program funded by the US Dept. of Housing determine you were an unaccompanied youth who was homeless or were self-supporting at the risk of being homeless?
- At any time on or before July 1, 2020, did the director of a runaway youth center program determine you were an unaccompanied youth who was homeless or were self-supporting at the risk of being homeless?



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## THE FAFSA FORM: THINGS TO KNOW

- **Financial Aid Offices** may perform verification on applications requiring submission of supporting documents
- Application data will be verified with following sources

Organization	Data
Social Security Administration	Name, DOB, citizenship
Homeland Security	Citizenship, Alien Registration Number verification
National Student Loan Data System (NSLDS)	Loan defaults, grant overpayments
Selective Service System	Registration with Selective Service, if required
Department of Justice	Match on student response question Drug Conviction Question
Veterans Affairs	Verification of Veteran status



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## DETERMINE FINANCIAL NEED EVALUATING FACTORS

### Factors used to evaluate financial need:

- 202x Income for both students and parents  
*Includes taxed and some untaxed income/benefits*
- Size of the family
- Number of family members in college
- Assets of both student and parents

### NOTE:

*The **student's income and savings** is generally viewed as being **exclusively available for college.***



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• HAND OUT

## LOANS

	Dependent Undergraduate 0910	Independent Undergraduate 0910
1 <sup>st</sup> year	\$3,500 (+\$2000)	+\$4,000 in Unsub
2 <sup>nd</sup> year	\$4,500 (+\$2000)	+\$4,000 in Unsub
3 <sup>rd</sup> year	\$5,500 (+\$2000)	+\$5,000 in Unsub
4 <sup>th</sup> year	\$5,500 (+\$2000)	+\$5,000 in Unsub
Graduate		\$8,500
		+\$12,000 in Unsub



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## EXPECTED FAMILY CONTRIBUTION



*The lower the EFC  
the higher the need.*

*Many parents and students  
**do not agree**  
with the EFC calculated  
and feel it's unreasonable.*



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## FEDERAL AID RESOURCES

- Federal Student Aid Workbook:  
[2022-2023 Federal Student Aid Handbook in PDF Format | Knowledge Center](#)
- Consult your college financial aid office for specific questions
- Some colleges produce a YouTube of how to complete the FAFSA: make sure it is for the appropriate academic year.



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## MARYLAND STATE AID

*Most Maryland scholarship & grant programs require you to attend a Maryland college or university*



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## LARGEST MD STATE PROGRAMS

- Educational Assistance Grant & Guaranteed Access Grant
- Senatorial & Delegate Scholarship Programs
- Workforce Shortage Student Incentive Grant

**Note:** there are a number of specific scholarship programs for career occupations, e.g., teaching, nursing, childcare.

Primary Deadline for most programs: **MARCH 1**

- Check the Maryland Higher Education Commission's website for a detailed listing and all application processes

[www.mhec.state.md.us](http://www.mhec.state.md.us)



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## OTHER HELPFUL INFORMATION

- Use a full street address; not a P.O. box when filing the FAFSA.
- Even though you may go out-of-state make sure to include at least **ONE** Maryland college or university on your FAFSA so you can be considered for a state scholarship.
- Don't exclude expensive colleges on your FAFSA just because you think you won't get offered enough aid.



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## OTHER STATE RESOURCES

- Maryland Higher Education Commission website: [www.mhec.state.md.us](http://www.mhec.state.md.us)
- Contact your county Board of Elections office for names of your State senator and delegates. Check their websites for specific senatorial and delegate scholarship applications.
- Contact the college financial aid office as they administer certain state grants.



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## PRIVATE SOURCES OF AID

- Churches, organizations, foundations, corporations.
- Students generally find resources on their own, via info from HS guidance office, web searches, etc.
- May be awarded for academic achievement, religious affiliation, ethnic/racial heritage, community activities, volunteerism, artistic talents, athletic ability, field of study, etc.
- Use Internet search engines:  
FASTWEB.com  
FINAID.org



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## COLLEGES AND UNIVERSITIES

- Colleges and Universities provide student aid to students from their operating budgets and from their endowments.
- Institutional aid may be need-based, merit or program of study.
- Institution often uses institutional aid to attract out of state students or those with high GPA's.



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## ALTERNATIVE / PRIVATE LOANS

- Can be used to bridge the gap between the cost of attendance and the financial aid package offered by the institution.
- Loans are offered by private lenders.
- Does not require FAFSA but *should be a last resort*.

**Note:** These are much higher interest rates, require immediate payments and are NOT regulated by the US Dept. Of Education

**Note:** This should be a last resort!



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## WHAT SHOULD I BE DOING NOW?

- Do virtual tours of the colleges you like in your junior year:  
[www.ecampustours.com](http://www.ecampustours.com)
- Search for scholarships beginning in your senior year:
  - Online at [www.fastweb.com](http://www.fastweb.com) [www.finaid.org](http://www.finaid.org)
  - Check in with your high school Guidance Office
  - Look for scholarships at your prospective college
- Get your student ID number at [fafsa.gov](http://fafsa.gov)
  - Use as your signature for electronic FAFSA
  - Both student and parent must have a PIN
- Your high school counselor and a college financial aid office are your best friends!

**DO NOT**  
PAY ANYONE TO COMPLETE  
YOUR FAFSA!  
FREE HELP IS WIDELY AVAILABLE!



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QUESTIONS



*Make the Right Educational Choices*



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