

# **Financial Aid: Completely Different Yet Still the Same**

Bexley High School  
Financial Aid Night  
October 11, 2023

# Topics We Will Discuss Tonight

- What is financial aid?
- Cost of attendance (COA)
- Student Aid Index (SAI)
- Financial need
- Categories, types, and sources of financial aid
- Free Application for Federal Student Aid (FAFSA)
- Verification
- Special circumstances
- Timetable
- How to get help

# What is Financial Aid?

- Funds provided to students and families to help pay for college educational expenses
  - Includes various types of aid



# What is Financial Need?

Cost of Attendance

- Student Aid Index

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= Financial Need

# What is Cost of Attendance (COA)?

- Direct costs
  - Tuition
  - Fees
  - (Room)
  - (Board)
- Indirect costs
  - Books
  - Transportation
  - Personal
  - (Food)
  - (Housing)
- Direct and indirect costs combine into Cost Of Attendance
- Varies widely from college to college

What is Expected Family  
Contribution (EFC)?



**Goodbye  
EFC**

# What is Student Aid Index (SAI)?

- Calculated using data from the FAFSA
- Stays the same regardless of college
- Determines eligibility for federal and state gift aid
- Used to quantify financial strength
- Ranges from -1500 to 999,999

# What is Financial Need?

Cost of Attendance

- Student Aid Index

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= Financial Need



# Categories of Financial Aid

- Need-based aid
- Non-need-based aid

## Types of Financial Aid

- Scholarships
- Grants
- Loans
- Employment

# Gift Aid (Free Money!)

## Scholarships

- Money that does not have to be paid back
- Awarded on the basis of merit, skill, or unique characteristic

## Grants

- Money that does not have to be paid back
- Usually awarded on the basis of financial need

# Self-Help Aid: Loans

- Money students and parents borrow to help pay college expenses
- Repayment typically begins after education is finished (students)
- Only borrow what is really needed
- Look at loans as an investment in the future

# Self-Help Aid: Work-Study Employment

- Allows student to earn money to help pay educational costs
  - A paycheck; or
  - Nonmonetary compensation, such as room and board
- Student decide whether or not to work or number of hours to work

# Sources of Financial Aid

- Federal government
- State of Ohio
- Colleges and universities
- Private sources
- Civic organizations and churches
- Employers

# Federal Student Aid Programs

## Gift Aid

- Federal Pell Grant
- Teacher Education Assistance for College and Higher Education (TEACH) Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)

## Self-Help

- Federal Work-Study (FWS)
- Subsidized and Unsubsidized Federal Direct Student Loans (Direct Loans)
- PLUS (Parent) Loans

# Federal Pell Grant

- Eligibility determined by the FAFSA; no separate paperwork
- Based on ‘enrollment intensity’; scaled by credit hour
- Minimum amount, maximum amount, somewhere in between
  - Federal poverty level is used in the calculation
- Amount and eligibility will likely change each year
- In 2023-24, maximum Pell was \$7395

# Ohio College Opportunity Grant

- Must have lived in Ohio 12 months
- Need-based (max. **EFC**: 3750)
- ODHE uses information from the FAFSA ; no separate paperwork
- Amount depends on school type
  - Not available at community colleges
  - Most state schools: \$3200 for 23-24
  - Most private, non-profit schools: \$4700 for 23-24



# Colleges and Universities

- Award aid on the basis of both merit and need
- Awards might be gift aid or self-help aid
- Use information from the FAFSA and/or institutional applications
- Deadlines and application requirements vary by institution
- Check with each college or university

# Outside Sources

- Foundations
- Local businesses
- Charitable organizations
- Civic organizations
- Church
- Parents' employers
- VA - Post 9/11 GI Bill
- Deadlines are generally in the spring
- Small scholarships add up!

# Free Application for Federal Student Aid - FAFSA

- Studentaid.gov
- The FAFSA for 2024-25 will be available **in December** 🙄
- Most colleges will be having modified FAFSA filing deadlines this year only

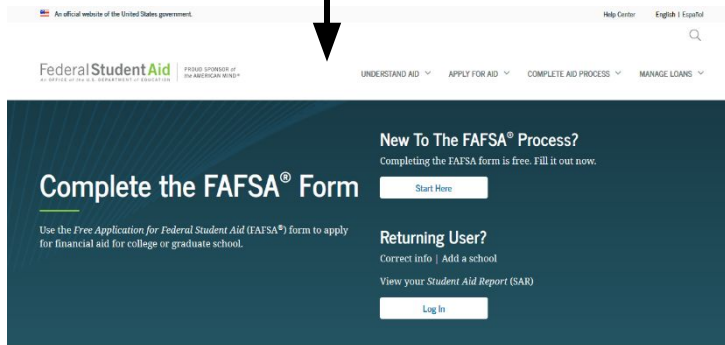


# FAFSA

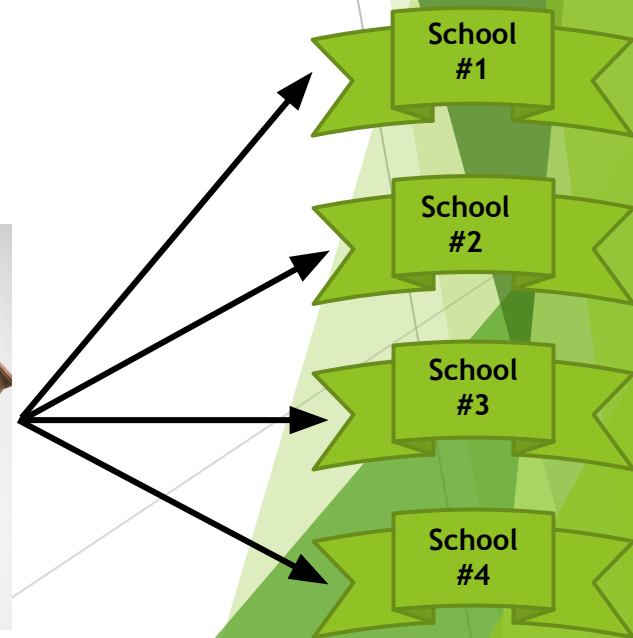
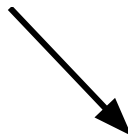
- Information used to calculate the Student Aid Index (SAI)
  - Measure of family's financial strength
- Colleges use SAI to award financial aid



One FAFSA  
per student  
per year



FAFSA® Announcements



# FAFSA Completion online

- New look/feel
- Questions will be different
- Ideally, there will be significantly less questions
- FAFSA “Contributors” are now important
  - For dependent students, at least one parent must be a “contributor”, depending on tax filing status

# FSA ID

- [Studentaid.gov](https://studentaid.gov)
- Required to access the FAFSA
- May be used by students and parents throughout aid process, including subsequent school year and beyond college (loan repayment)
- Parents can use the same FSA ID for multiple children

# Direct Data Exchange (DDX)

- ***FTI Approval (consent) is REQUIRED***
- Student and contributor must give approval for DDX, even if they are not eligible to use it
- This is what allows the IRS to provide income information to the Department of Education to simplify the FAFSA
- DDX will now replace Data Retrieval Tool (DRT)



# General Student Information

- Social Security Number
- Citizenship status
- Marital status
- Demographic information
- Level of parents' school completion

# Student Dependency Status

FAFSA asks questions to determine dependency status for federal student aid (not IRS) purposes:

- If all “No” responses, student is dependent
- If “Yes” to any question, student is independent

# Who is My Parent?

1. Who did I live with the most?
2. Who provided the most?

**Who  
provided  
the most  
support?**

# Information About Parents and Dependent Students

- Tax, income, and other financial information
- Receipt of federal means-tested benefits
- Assets
  
- ALL income information will be added to the FAFSA via DDX with two exceptions:
  - Foreign income exclusion
  - Taxable grants and scholarships

# Changes in Data Reported

- Child support received
  - Report the amount received in the most recent “COMPLETE” tax year
  - Counted as an asset
- Educational Savings Plans (529)
  - Now only report the value of the account for which the student is the beneficiary
- Family size
  - Comes from the tax return
  - Can be changed

# Frequent FAFSA Errors

- Social Security Numbers
- Family size
  - Now coming from the tax return
  - CAN BE UPDATED
- Number of household members in college
- Real estate and investment net worth
  - Don't include the value of your primary residence
  - Now must include business value

# Verification

- Prescribed by the US Department of Education
- If required, all schools need to complete the review
- Additional documentation would need to be submitted to each school your student is considering
- Used to confirm accuracy of FAFSA data

# Special Circumstances

Captures circumstances that can't be explained on the FAFSA

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



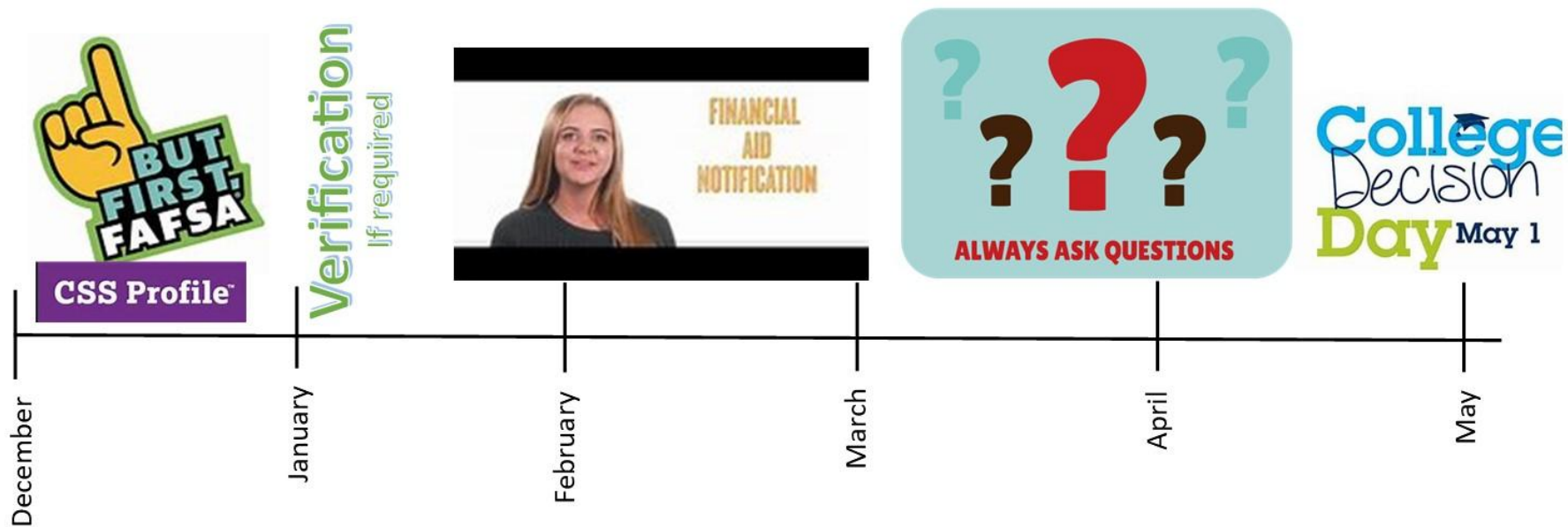
# Special Circumstances

- Send written explanation and documentation to financial aid office at each college
- College will review and request additional information if necessary
- Each college handles this process differently; no universal procedures
- Students who are unable to provide parental information can now be considered “provisionally independent”

# Timetable



# Financial Aid Timeline



# Getting Help

- College Financial Aid Offices
- <https://studentaid.gov>
- <https://cssprofile.collegeboard.org/>
- High school guidance counselors
- Net Price Calculators
  
- Be cautious if a consultant will help you for a “*small fee*”!

Thanks for coming!

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