

Paying for College

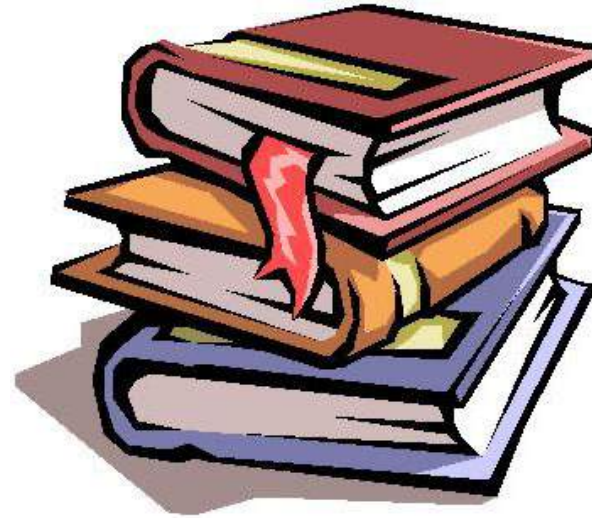


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Cost of Attendance (COA)

- ▶ An estimate of the total costs for attending a particular school for a period of one year
- ▶ Included in this estimate
 - ▶ Direct Costs - paid directly to institution
 - ▶ Tuition/Fees
 - ▶ Room and Board
 - ▶ Indirect Costs
 - ▶ Books/Supplies
 - ▶ Personal Expenses
 - ▶ Transportation Expenses



Cost of Attendance



\$31,090.00



\$23,902.00



\$29,256.00



\$28,426.00



Northern Virginia
Community College

\$17,082.00



\$34,080.00

COA - Virginia Privates



\$55,068.00



\$57,470.00



\$52,166.00



\$52,520.00



\$72,450.00

COA - Out of State Publics



\$57,239.00



\$54,490.00



\$39,360.00



\$52,026.00



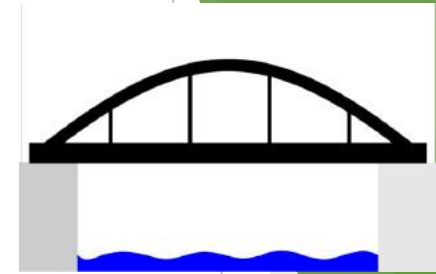
\$48,268.00

Where do the funds used to pay for college come from?

- ▶ Personal Assets - Parent(s) and Student
 - ▶ Current Income
 - ▶ Salary
 - ▶ Past Income
 - ▶ Savings
 - ▶ Other assets (not including retirement accounts)
 - ▶ Future Income
 - ▶ Loans
 - ▶ Student
 - ▶ Parent(s)



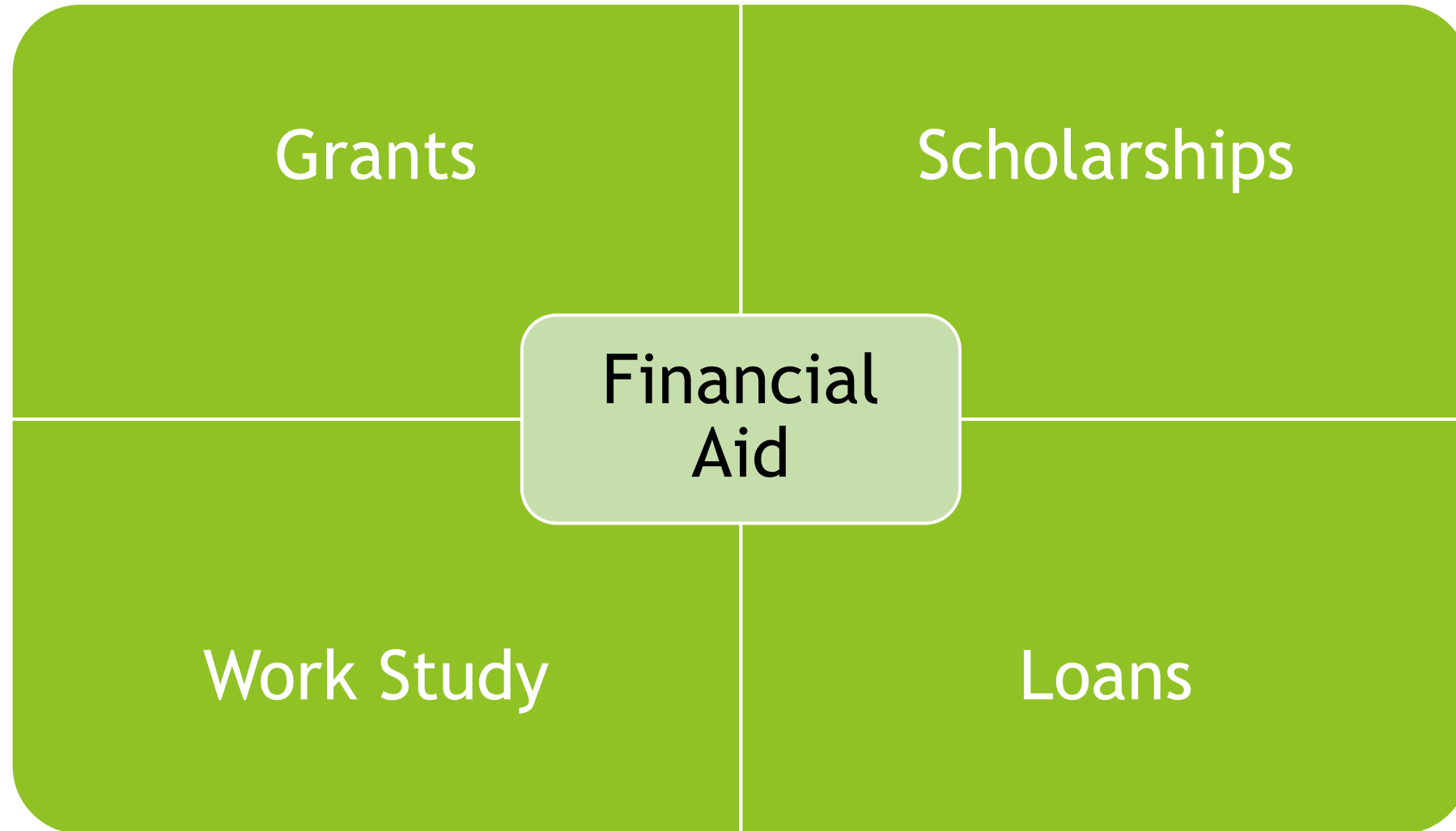
Where do the funds used to pay for college come from?



▶ Financial Aid

- ▶ Funding to help bridge the gap between the total Cost of Attendance (COA) and what the family is expected to pay
- ▶ Sources
 - ▶ Federal Government
 - ▶ State Government
 - ▶ Colleges and Universities
 - ▶ Private Foundations
 - ▶ Civic, Religious, Service, and Professional Organizations
 - ▶ Employers and Private Companies

Types of Financial Aid



Gift Aid -Grants

- ▶ Funds that do not need to be paid back (unless the student withdraws from classes during the period the funds were awarded for) - some may require an “agreement to serve” after graduation
- ▶ Awards can be based on
 - ▶ Need
 - ▶ Merit
- ▶ Sources of Grants
 - ▶ Federal Government
 - ▶ State Government
 - ▶ Virginia Tuition Assistance Grant (VTAG)
 - ▶ Virginia Commonwealth Award Program (VCAP)
 - ▶ Virginia Guaranteed Assistance Program (VGAP)
 - ▶ VA Military Survivors and Dependent Education Program
 - ▶ Colleges/Universities



Gift Aid - Scholarships

- ▶ Based on
 - ▶ Financial Need
 - ▶ Merit
 - ▶ Academics
 - ▶ Sports
 - ▶ Extra-curricular activities
 - ▶ Other
- ▶ Awarded by
 - ▶ Colleges/universities
 - ▶ Private Foundations
 - ▶ Civic, Religious, Service and Professional Organizations
 - ▶ Employers
- ▶ Resources
 - ▶ High School College and Career Specialist
 - ▶ Naviance Student Scholarship Database
 - ▶ College/university financial aid offices
 - ▶ Scholarship websites



Self-Help Aid - Work-Study

- ▶ Eligibility based on financial need
- ▶ First come - first served
- ▶ Paid by check/direct deposit/credit to student account
 - ▶ At least minimum wage
- ▶ Work may be on- or off-campus
 - ▶ Usually for 10-15 hours per week
- ▶ Not all schools participate - contact financial aid office.



Self-Help Aid - Loans



▶ Federal Loans (favorable interest and repayment terms)

Loan Type	Interest rates 7/1/20 thru 7/1/21	Annual Award (subject to change)
Direct Subsidized Loan	2.75%	Up to \$5,500 depending upon grade level/dependency status
Direct Unsubsidized Loan	2.75%	Up to \$12,500 (less any subsidized amounts for same period) depending upon grade level/dependency status
Parent Plus Loan	5.30%	Maximum is up to total cost of attendance (minus other aid)

▶ Private Loans

- ▶ May have higher interest rates and different repayment terms

▶ Only Borrow What You Need

- ▶ Try to borrow no more than the expected first year salary

How to Apply for Financial Aid

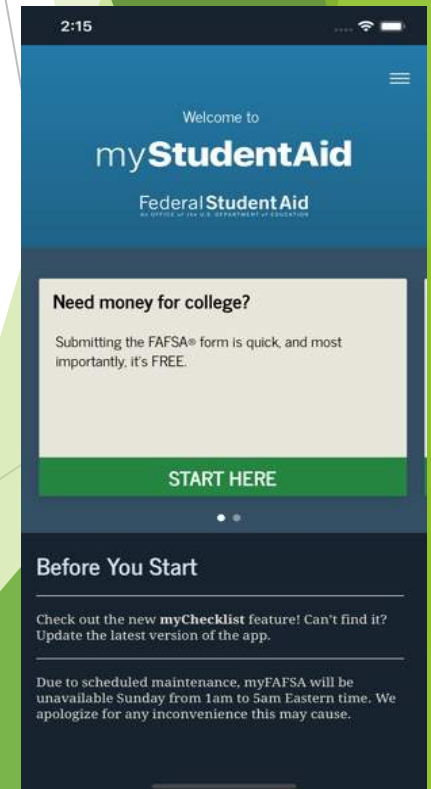


- ▶ Forms needed to apply for financial aid
 - ▶ Free Application for Federal Student Aid (FAFSA)
 - ▶ CSS PROFILE
 - ▶ Institutional Forms
- ▶ Students should check with each institution to which they are applying to determine which forms are needed

Free Application for Federal Student Aid (FAFSA)



- ▶ Required by almost all technical schools, community colleges, colleges and universities
- ▶ Students and parents need an FSA ID to sign the form electronically
 - ▶ <https://fsaid.ed.gov>
- ▶ FAFSA completed online after October 1st of the student's senior year in high school
 - ▶ <https://fafsa.gov>
- ▶ Determines student's Expected Family Contribution* (EFC) - the amount a family can reasonably be expected to contribute
- ▶ Must be completed every year the student is in school



What do you need to fill out the FAFSA?

- ▶ Social security number of student and parents
- ▶ If not a US citizen, your permanent resident number
- ▶ Date of birth of student and parents
- ▶ Student's driver's license number - optional
- ▶ Date of parents' marriage/divorce
- ▶ Date you moved to Virginia
- ▶ Prior-prior year financial records
 - ▶ Federal tax return
 - ▶ W-2 forms or other wage statements
 - ▶ Military families - LES (student and/or parents) for any month
- ▶ Current financial statements
 - ▶ Checking accounts
 - ▶ Savings accounts
 - ▶ Other asset accounts
 - ▶ Investment records, including 529 plans or other prepaid college accounts
- ▶ FSA ID's - one for the student and one for the parent
(you can secure these ID's at <https://fsaid.ed.gov/npas/index.htm>)



Reporting Assets on the FAFSA

▶ INCLUDE

- ▶ Cash, checking, savings, certificates of deposit, stocks, bonds, mutual funds
- ▶ Real estate (equity) other than the home you live in
- ▶ All 529 plans (other than those owned by people other than parents), Coverdell savings accounts, other qualified education savings plans (Use refund value of 529 prepaid tuition plan)
- ▶ UGMA and UTMA accounts (for which you are the owner)
- ▶ Stock options
- ▶ Installment and land sale contracts

▶ DO NOT INCLUDE

- ▶ Equity in your personal residence
- ▶ Value of life insurance
- ▶ Value of retirement plans (401k, IRAs, Keoghs, UGMA and UTMA accounts for which you are the custodian, not the owner)



Expected Family Contribution (EFC)

- ▶ The **EFC** is a federal calculation based on information provided
 - ▶ Income (parent(s) and student)
 - ▶ Assets (parent(s) and student)
 - ▶ Number in household
 - ▶ Number in college
 - ▶ Marital status
 - ▶ Dependency status of student
 - ▶ Age of oldest parent
- ▶ The Expected Family Contribution is the determined amount a family has the ability to pay for one year of college costs
- ▶ The EFC is sent to all the schools included on the FAFSA for financial aid amount determination



After Submitting the FAFSA

- ▶ The student will receive an email approximately 3-5 days after electronically submitting the FAFSA containing their Student Aid Report (SAR). This includes:
 - ▶ All information entered on the FAFSA
 - ▶ The student's Expected Family Contribution (EFC)
- ▶ Keep copies of the Student Aid Report for future reference
 - ▶ Frequently needed for scholarship opportunities
- ▶ Keep FSA ID's in a secure location
 - ▶ These will be used each year the student is attending school and applying for financial aid
 - ▶ Can be used for undergraduate and graduate education

Financial Aid Verification



- ▶ Verification is a federal financial aid requirement in which the Department of Education's Office of Federal Student Aid requires schools to verify data submitted by about 20% of the total number of financial aid applicants.
- ▶ Some schools request verification for 100% of their financial aid applicants.
- ▶ Students will be notified if they have been selected for notification to verify the information provided on the FAFSA.
 - ▶ Students will receive directions on what documentation is required and how to submit necessary paperwork

Changes to FAFSA



- ▶ Beginning in 2023, the FAFSA will be changing
 - ▶ Fewer questions
 - ▶ New application of information supplied
 - ▶ Student Aid Index (SAI) determined instead of Expected Family Contribution (EFC)
 - ▶ Other changes yet to be announced
- ▶ We will keep abreast of all changes and share with families as news becomes available

CSS PROFILE



- ▶ Required by about 300 colleges/universities
 - ▶ Virginia schools which require the PROFILE
 - ▶ College of William and Mary
 - ▶ Christendom College
 - ▶ Patrick Henry College
 - ▶ University of Richmond
 - ▶ University of Virginia
 - ▶ Washington and Lee University

- ▶ Accessible through student's College Board account

- ▶ \$25 fee for first report, \$16 for each additional report
 - ▶ Fee waivers may apply - check with your counselor or College Board

Individual College Financial Aid Form

- ▶ Some colleges require the student to complete their own college specific form



Determination of Financial Need Under Current FAFSA Procedures

- ▶ Each institution will use the student's EFC to determine Financial Need



$$\begin{array}{c} \text{COA (Cost of Attendance)} \\ \text{minus} \\ \text{EFC (Expected Family Contribution)} \\ \text{equals} \\ \text{\underline{\underline{FINANCIAL NEED}}} \end{array}$$



- ▶ Financial aid awards may meet full **FINANCIAL NEED** if college has large enough financial reserves - if not, a **GAP** may remain
- ▶ Most schools cannot meet the gap
- ▶ Once the student has been accepted, he/she will receive a financial award letter outlining how the financial need will be addressed (grants, scholarships, work-study, loans)

Asset Impact on EFC

- ▶ An example: 4 in the family, 1 child in college
 - ▶ Based on 2020-2021 Federal Methodology

	Family A	Family B	Family C
Combined Parent Income	\$75,000	\$75,000	\$75,000
Combined Parent Assets	\$0	\$75,000	\$150,000
EFC	\$7,223	\$10,422	\$14,652
Difference		\$3,199	\$7,429

Income Impact on EFC

- ▶ An example: 4 in the family, 1 child in college
 - ▶ Based on 2020-2021 Federal Methodology

	Family A	Family B	Family C
Combined Parent Income	\$75,000	\$100,000	\$150,000
Combined Parent Assets	\$50,000	\$50,000	\$50,000
EFC	\$9,025	\$17,531	\$33,053
Difference		\$8,506	\$24,024

Financial Aid Calculators

- ▶ FAFSA4caster

- ▶ <https://fafsa.ed.gov/spa/fafsa4c/#/landing>

- ▶ Net Price Calculators

- ▶ The **Net Price** is the amount that a student pays to attend an institution in a single academic year **AFTER** subtracting scholarships and grants the student is eligible to receive

- ▶ Every college/university website has its own Net Price Calculator

- ▶ www.collegecost.ed.gov

- ▶ www.myintuition.org

- ▶ College Navigator

- ▶ <https://nces.ed.gov/collegenavigator>

- ▶ College Scorecard

- ▶ <https://collegescorecard.ed.gov>



All of these tools provide and estimate

Critical Dates



- ▶ FAFSA/CSS Profile available for completion Oct 1
- ▶ Priority Deadline Nov-April
 - ▶ Many Virginia Colleges March 1
- ▶ Admissions decisions arrive TBD
- ▶ Financial Award decisions arrive TBD
- ▶ National College Decision Day May 1
- ▶ First term payment due End of July

Resources



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Opening Doors to the Future

- High School Counselors
- High School College and Career Specialists
- College/University Financial Aid Offices
- FCPS Financial Information Workshops
 - Presented at individual high schools
- College Access Fairfax - www.collegeaccessfairfax.org
- On-line sites
 - FinAid - <http://www.finaid.org/fafsa/>
 - Federal Student Aid - <https://studentaid.ed.gov/sa/resources>
- Scholarship Information
 - Scholarship Database in Naviance Student
 - College Access Fairfax Scholarships
 - www.fastweb.com



Information for Military Families

- ▶ Post - 9/11 GI Bill
 - ▶ <https://benefits.va.gov/benefits/factsheets.asp#BM4>
 - ▶ Transferability
 - ▶ Yellow Ribbon Program
- ▶ Contact individual schools to see how they handle military benefits
 - ▶ Financial Aid Office
 - ▶ Admissions Office
 - ▶ Bursar





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