

Financial Aid Resource Guide



RESOURCES

Scholarships:

- **SchoolLinks** – Scholarship matching, national and local search (finances page)
- www.scholarships.com
- Scholarship America

Financial Aid

- Federal Student Aid is the website where student completes and submits the FAFSA, Free Application for Federal Student Aid.
 - Both students and parents (contributor) may apply for a Federal Student Aid Identification Number, or FSA ID. The FSA ID is used by both student and parent to complete, and sign/submit their individual portion of the student's FAFSA and access the application information after submitting. Parent and student each need their own FSA ID.
- www.studentaid.gov/fafsa/estimate - if you want to begin exploring your financial aid options. Using FAFSA4caster will give you an early estimate of eligibility for federal student aid.
- Mosaiec Big Decisions
- CollegeData.com – Free resource that includes college-panning tools, newsletters, and articles designed to help you prepare, apply, and pay for college. They also have a mobile app!
- Federal Student Aid Information Center – provides students and families with information about federal financial aid programs and answers questions about financial aid and completing the FAFSA. 1-800-4-FED-AID or 1-800-433-3243:
- Smart Student Guide to Financial Aid:
<http://www.finaid.org/educators/netresources.phtml>
- www.facebook.com/FederalStudentAid
- www.twitter.com/FAFSA
- www.youtube.com/FederalStudentAid
- www.collegeboard.com/student/pay/index.html - wealth of information and resources for financial aid planning, aid calculators, loans, and CSS Profile (an additional aid form required by some colleges).

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What Is Financial Aid

Financial Aid is federal, state, institutional, and private funds used to assist eligible students in funding their education. Financial aid can be a combination of scholarships, fellowships, grants, loans, tuition and fee waivers, and student employment.

Scholarships

Scholarships are funds that do not have to be repaid. They are awarded based on an applicant meeting certain eligibility criteria. Scholarships are provided by a variety of sources on and off campus.

- From private donors and colleges
- Specific eligibility requirements, application processes, and deadlines

Grants

Grants are funds that do not have to be repaid. They are available to students who meet financial need criteria.

- Can be both need and non-need based
- From federal, state government, and colleges

Work Study

Work study is a self-help program that promotes student access to college while providing practical work experience for students who meet financial need criteria.

- Both need- and non-need based
- Earn hourly wage
- Schedule arranged around classes
- Gain hands-on experience and networking opportunities

Federal Direct Stafford Student Loans

Loans allow students to borrow money for college at low interest rates. Generally, loans must be repaid after you leave college.

- In student's name
- No cosigner needed
- Six-month grace period

Financial aid recipients may lose financial aid if they fail to

1. Maintain a certain GPA
2. Satisfy the credit completion rate for each term
3. Stay within total credit limit

Types of Stafford Student Loans:

Subsidized

- Need based
- Rates vary by year
- Government pays interest while student is enrolled part-time or more

Unsubsidized

- Not need-based
- Rates vary by year
- Student is responsible for accrued interest; student can pay interest quarterly during school or have interest capitalize

Parent PLUS Loan

- In parent's name
- Rates vary by year
- Credit check required, repayment begins six weeks after loan is fully disbursed or parent may defer payment

How Much Does It Cost?

Your estimated cost of attendance (COA) doesn't just cover your college tuition; it takes into account your basic living expenses too. So think about this: it is going to cost you the same amount to live for the next few years whether you're in college or not. According to the U.S. Census Bureau,* your added investment in a college education can prepare you to earn an average of \$21,000 MORE a year than students who complete only high school.

When comparing financial aid packages from different schools, make sure you are comparing the total cost for attending that school, not just the total financial aid awarded.

Use the chart on the following page to compare COA and award packages:

COLLEGES		#1	#2	#3
COST OF ATTENDANCE				
Fixed	Tuition & Fees			
	Room & Board			
	Books & Supplies			
Variable	Personal			
	Health Insurance			
	Transportation			
TOTAL COST (A)				

FINANCIAL AID AWARDED				
Grants/Scholarships				
	Pell Grant			
	Other Grant			
	Private Scholarship			
	Private Scholarship			
	Other Scholarships			
	Work Study/Student Employment			
Loans				
	Stafford Subsidized Loan			
	Stafford Unsubsidized Loan			
	Other Loans			
TOTAL FINANCIAL AID (B)				

Total Cost (A)			
- Total Financial Aid (B)			
= OUT-OF-POCKET NEED (if negative #) OR REFUND (if positive number)			

If applicable, continue below...

Out-of-Pocket			
+ Parent PLUS Loan			
YOUR UNMET NEED			

You can also compare your financial aid packages online at:

<https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator>

How to Apply for Financial Aid

1. Apply for a FSA ID

Apply for a FSA ID online at www.fsaaid.ed.gov. Before, during, or after you complete the FAFSA, you and your parents (if you are a dependent student) will need to sign your FAFSA electronically. The FAFSA cannot be processed until it is signed. Using a FSAID sign your FAFSA electronically is by far the fastest and most reliable method. Each student and one parent both need to create his or her own FSA ID – they cannot be the same. *Parents who are undocumented will not be able to create a FSA ID. FAFSA will need to be manually signed and mailed, even if student can electronically sign.*

2. FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)

Complete the FAFSA online at www.fafsa.ed.gov. The FAFSA is available October 1st each year for the following school year.

- apply as early as possible – most aid is first-come, first-served.
- check each colleges' FAFSA priority submission deadline.

By completing the FAFSA, you are applying for all federal, state, and institutional aid. This includes grants, loans, and work study.

Do not pay to complete and submit the FAFSA or any scholarship application. Free help is available.

3. TEXAS APPLICATION FOR STATE FINANCIAL AID (TASFA)

Students not eligible to complete the FAFSA due to citizenship or visa status, but are eligible to be classified as a Texas resident for tuition purposes, you may apply for state financial aid by submitting the TASFA. You must complete the TASFA to be eligible for many scholarships, grants, and loans. Be sure to check each college deadline for submitting financial aid paperwork and speak to the financial aid representative at your application schools to ensure your gather and submit all the correct and necessary documentation. The TASFA form can be obtained online as well as on many colleges' websites.

The TASFA can also be completed and submitted [online](#); the online form is only available in English. The paper TASFA is available in both English and Spanish and includes instructions. Students submitting the paper TASFA must deliver the application directly the financial aid office at the schools where they've been accepted.

4. WHEN TO APPLY FOR FINANCIAL AID

IF YOU PLAN TO ATTEND COLLEGE FROM	YOU WILL SUBMIT THIS FAFSA	YOU CAN SUBMIT THE FAFSA FROM	USING INCOME AND TAX INFORMATION FROM
July 1, 2024-June 30, 2025	2024-25	January 1, 2024-June 30, 2025	2022
July 1, 2025-June 30, 2026	2025-26	October 1, 2024-June 30, 2026	2023
July 1, 2026-June 30, 2027	2026-27	October 1, 2025-June 30, 2027	2024

5. What You Need to Complete Your Application

To complete your FAFSA/TASFA you will need:

- § Your Social Security number. Be sure it is correct! (for FAFSA only)
- § Your driver license, if any (for FAFSA only)
- § Your W-2 forms and other records of money earned for the Tax Year that is used for the school year you will attend college (see chart above).
- § Yours (and your spouse's if you are married) Federal Income Tax Return (see the year you will need to use based on the chart above):
 - IRS 1040, 1040A, or 1040EZ,
 - Foreign tax return or
 - Tax return from Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federal States of Micronesia or Palau.
- § Your parents' Federal Income Tax Return, if you are a dependent student (see the year your parent will need to use based on the chart above)
- § Your untaxed income records (same tax year as above):
 - Social Security Income,
 - Child support received, and/or
 - Worker's compensation
- § Your current bank statements.
- § Your current business and investment information, business and farm net worth, stock, bond, and other investment records.
- § Your alien registration or permanent resident card, if you are not a U.S. citizen. (for FAFSA only)

AFTER THE APPLICATION

How Financial Need is Determined

Student Aid Index (SAI): index calculated from data reported on FAFSA

$$\begin{array}{r} \text{COST OF ATTENDANCE (COA)} \\ - \text{STUDENT AID INDEX (SAI)} \\ \hline = \text{FINANCIAL NEED} \end{array}$$

(The amount and category of aid awarded by a college are done to cover as much financial need as possible.)

Here's an example of how college's calculate financial need, using a student with a SAI of \$5,500:

College A:	COA	\$40,000	College B:	COA	\$80,000
	SAI	- 5,500		SAI	- 5,500
	Need	\$34,500		Need	\$74,500

Because College B cost of attendance is higher, financial need will be higher. Both College A & College B will try to cover all or some of this student's financial need using a combination of loans, grants, and scholarships.

HOW FINANCIAL NEED IMPACTS YOUR AID OFFER

Some colleges meet 100 percent of a student's financial need. But many colleges do not have the resources to do so, and instead meet only a percentage.

Using the examples above, if College A meets 100 percent of financial need, it would award our student an aid package totaling \$34,500. Keep in mind, however, that this package may contain loans that the student will need to repay, as well as scholarships and grants which don't need to be repaid, and work-study. In addition, this student will still need to cover the \$5,500 SAI.

If College A meets only a percentage of financial need, it might give this same student a total aid package of \$24,000. The same student would need to pay the \$5,500 in SAI plus another \$10,500 in *unmet financial need*.

How Financial Aid is Awarded / Processing your Financial Aid

Your aid offer explains the types and amounts of aid a college is offering you, and your expected costs for the year. If you've been accepted to multiple colleges, it is a good practice to compare the costs and aid offers side by side.

Process of applying for and receiving your aid award letters:

- Student and contributors creates FSA ID
- Student starts FAFSA and invites contributors
- Contributor completes their portion of the student's FAFSA, signs and submits
- Student completes their portion of the FAFSA, signs and submits
- Student receives Institutional Student Information Record (ISIR) – reviews it – make corrections, if necessary. Corrections should be submitted as soon as possible so as not to delay financial aid awards.
- ISIR is sent to the schools and the state of residence that the student provided on the FAFSA form
- Student must be accepted for admission to receive financial aid from college
- Student may be asked to provide additional information by your application colleges. All requested documents must be received before financial aid can be processed. *NOTE – not all students will be asked for additional information.*
- Student receives award notice/letter – read all e-mail/mail from Office of Financial Aid immediately and respond
- Grants, scholarships, and loans are credited to student's account each term
- Scholarships received from outside sources must be reported to the Financial Aid office of the school you choose to attend

Once you receive notification of your financial aid, you will need to accept/decline your financial aid awards. Follow the directions on your college's website and in your student account to ensure that you are following the correct procedures.

OTHER WAYS COLLEGES CALCULATE FINANCIAL NEED

Some colleges also award "institutional aid," which comes from the college's own funds. Many colleges use the FAFSA's SAI to calculate your financial need for institutional aid, but some private colleges calculate a different SAI for this purpose. These colleges may ask you to complete another financial aid form called the CCS/Financial Aid Profile, which digs deeper into your financial picture.

GET SMART

ABOUT SCHOLARSHIP & STUDENT LOAN SCAMS



AVOID SCAMS

College costs are rising. Looking for a loan? You're not alone.



84%

of first-year students receive financial aid



66%

of students apply using Free Application for Federal Student Aid (FAFSA)

Be wary of the information you share, and where.



Over

\$100 MILLION

is lost in scholarship scams every year



53%

of students who try to get a private loan have reported receiving fraudulent loans

Source: FTC

Protect Yourself

Never share FAFSA information



Only solicit federal student loans from companies identified by the Department of Education



Never pay to apply for college scholarships

Signs of a Student Aid Scam ►

- Charges up-front or monthly fees
- Uses urgent language: "act now" or "limited time offer"
- Guarantees immediate and total student loan forgiveness
- Claims affiliation with your servicer of the US Department of Education
- Asks for personal usernames and passwords (FSA ID)

Report Scholarship Scams



Federal Trade Commission
<https://reportfraud.ftc.gov>



U.S. Department of Education
<https://www2.ed.gov/about/offices/list/oig/hotline.html>



Federal Student Aid Information Center (FAFSA)
<https://studentaid.gov/feedback-center>

