

Financial Aid Workshop

How to Plan for College Finances:

1. Budget - determine what you can afford before you pick colleges
2. Buy-In - have open communication within your family
3. Cost Reduction – Financial Aid, Merit \$, and Private \$
4. Bill Pay – what can we pay and how? Do we need loans?

Myths About Financial Aid

1. State colleges are cheaper than privates
2. In-state college will cost less than out of state
3. Living at home is the cheaper option than living on campus
4. Most financial aid has to be paid back

Types of Financial Aid

1. Need Based – formula of what you ‘can afford to pay’ towards college
2. Merit Based – talent or abilities
3. Selectively Discounted Tuition – discounted by the college
4. Tax – tax credits, deductions, strategies
5. Private Scholarships – money out there that anyone can apply for (start early, look for scholarships year round, most money from August-March)

Need Based Aid

1. Learn when and whether you apply
2. This year, financial aid forms went online October 1
3. FAFSA (Free Application for Federal Student Aid) – ALL colleges require this form in order to be eligible, asks for income data from 2 years prior
4. GPA Verification – New West completes this online for all seniors
5. CSS/PROFILE – some colleges (mainly privates) require this 2nd in-depth form
6. Non-Custodial Parent Form – CSS/Profile required by both parents in divorced households
7. Institutional and Misc. Forms – additional forms required by some colleges

Input Data

1. Parent Income and Assets
2. Student Income and Assets

Process Data

Different colleges calculate ‘need’ in one of three ways

1. Federal Methodology – used by UC’s, Cal States, and other schools - doesn’t count home value, business, or retirement
2. Institutional Methodology – used by some privates – counts home equity
3. Consensus Methodology – used by some privates – counts home equity

After processing your data, colleges calculate your Expected Family Contribution (EFC)

Calculation of Financial Aid

Cost of Attendance at College
-EFC

Financial Need

What Goes Into a Financial Aid Package?

- Grants
- Loans
- Scholarships
- Work Study

Aid Programs

Federal

Pell Grant

SEOG Grant

Work Study

Loans – student (maximum \$5,500)

Parent Loan for Undergraduate Students (PLUS)

State

Cal Grant A or B

Middle Class Scholarship

Institutional

Need based aid

Merit aid

*You must re-apply for financial aid every year throughout college

Resources:

Book - How to Get Money for College 2016

Websites –

Meritaid.com

Myscholly.com

Scholarships360.com

Scholarshipworkshop.com