

The background of the slide features a large, light gray watermark of the Stanford University seal. The seal is circular, with the words "LELAND STANFORD JUNIOR UNIVERSITY" around the top and "1891" at the bottom. In the center is a redwood tree with a book at its base, flanked by two stars.

# **What You Need to Know About Financial Aid**

**SPRING 2023**

# Topics We Will Discuss

- WHAT IS FINANCIAL AID?
- COST OF ATTENDANCE (COA)
- THE EXPECTED FAMILY CONTRIBUTION (EFC)/STUDENT AID INDEX (SAI)
- NET PRICE – WHAT YOU HAVE TO PAY
- CATEGORIES, TYPES AND SOURCES OF ASSISTANCE
- THE APPLICATION PROCESS

# You Can Get Money to attend College Because You . . .

- Need it (this is the biggest reason students get money)
- Earn good grades
- Have talent in music, art, sports, etc.
- Have a certain background or characteristic
- Have a special need or a disability

*(There are lots of other ways to get money for college, too.)*

# What is Financial Aid?

- Financial aid is funds provided to students and families to help pay for postsecondary educational expenses
- Can include loans and jobs as well as scholarships or grants
- Need-Based and Non-Need-Based (Merit) aid is available



# How much financial aid can I get?

- The amount of aid you can receive depends on two things:
  - **The Cost of Attendance (COA)**
    - Determined by the school. It includes:
      - Direct Costs
      - Indirect Costs
  - **The Expected Family Contribution (EFC) (soon to be known as the Student Aid Index or SAI)**
    - Calculated based on your financial aid application
    - Determines eligibility for need-based aid
- These things may vary widely from college to college

# Cost of Attendance

STANDARD STUDENT BUDGET



# SAMPLE COA's – STANFORD UNIVERSITY

**2023-2024**



## *Direct Costs Charged by Stanford*

Tuition	\$61,731
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Room & Board	19,922
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Student Fees	2,205
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## *Other Estimated Costs*

Books & Supplies	825
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Personal Expenses	3,150
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Travel	Varies
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Total	\$87,833
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## 2022– 2023 STUDENT BUDGET UNDERGRADUATE STUDENTS

<b>**TUITION &amp; CAMPUS FEES</b> (6.1 or more units)	<b>\$7,899</b>		
<b>STANDARD STUDENT BUDGET ALLOWANCES</b>	<b>WITH PARENTS</b>	<b>CAMPUS HOUSING*</b>	<b>OFF CAMPUS</b>
ROOM AND BOARD	\$10,056	\$18,568	\$19,266
TRANSPORTATION	\$1,330	\$1,134	\$1,274
MISCELLANEOUS / PERSONAL	\$2,614	\$2,139	\$2,877
BOOKS & SUPPLIES	\$1,110	\$1,110	\$1,110
<b>UNDERGRADUATE TOTAL</b>	<b>\$23,009</b>	<b>\$30,850</b>	<b>\$32,426</b>



# Berkeley Financial Aid & Scholarships

Living Arrangement for 2022-23: Living in a Campus Residence Hall		Living in an On-Campus Apartment	Living in an Off-Campus Apartment	Living with Relatives
Tuition and Fees	\$14,796	\$14,796	\$14,796	\$14,796
Room and Board	\$19,520	\$15,528	n/a	n/a
Student Health Insurance Plan	\$3,968	\$3,968	\$3,968	\$3,968
Subtotal Direct Costs	\$38,284	\$34,292	\$18,764	\$18,764
Personal, Books & Supplies, Other	\$5,510	\$8,502	\$20,330	\$12,360
<b>Total Expected Undergraduate Costs</b>	<b>\$43,794</b>	<b>\$42,794</b>	<b>\$39,094</b>	<b>\$31,124</b>

## **Expected Family Contribution**

EFC



# Dependency Status

- Determines whether parents have to provide information.
- Undergraduates are dependent (parent info required) unless:
  - 24 by January 1 of the academic year
  - Married
  - Have dependents (who receive more than half of their support from the student)
  - Veteran or active duty in US Armed forces
  - Since age 13, in foster care or ward of the court or orphaned
  - An Emancipated Minor or in a legal guardianship as determined by a court
  - An unaccompanied youth who is homeless or self-supporting and at risk of homelessness
- This definition is for Federal Aid. Schools may still ask for parent information to award institutional aid

# Which Parent?

- In cases of divorce or separation, for federal aid it is the parent the student lives with who provides information.
  - If that parent has remarried, the step-parent information is also required.
  - Schools may ask for information from the non-custodial parent for the purpose of awarding institutional need-based aid.



<https://studentaid.gov/apply-for-aid/fafsa/filling-out/parent-info>

# Expected Family Contribution (EFC)

**Computed amount family  
is expected to contribute**

**Calculated using FAFSA  
(Free Application for  
Federal Student Aid) data  
and a federal formula**

**Some schools may use  
the CSS Profile  
Application and an  
institutional formula for  
awarding their own aid**



**Student  
contribution**

**Parent contribution**  
*(for dependent students)*

# Parent Contribution

- Measure of family Financial Strength
- Calculated based on Parent Income and Assets
- Standard Allowances are made for
  - Living expenses (based on family size)
  - Federal and state taxes
  - Undergraduate college costs for siblings (not for 2024-2025)
- 2021 is the “base year” for 2023-2024 academic year applications



# Student Contribution

- Calculated based on Student's Assets and Income
- Federal analysis expects 20% of assets in student's name to be available for educational expenses each year



# Why is the EFC calculation so important?

- EFC is used for awarding Need-Based Aid
- “Need” is the difference between Cost of Attendance and Expected Family Contribution (COA minus EFC = Need)





# What is “Net Price”?

COST OF ATTENDANCE

– SCHOLARSHIPS/GRANTS (GIFT MONEY)

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= NET PRICE (WHAT YOU’LL HAVE TO PAY)

*There may be “financial aid” in the form of student or parent LOANS and/or student EMPLOYMENT to help with the Net Price.*

Check college websites for their  
Net Price Calculator!

# Types of Financial Aid

SCHOLARSHIPS/GRANTS  
LOANS  
STUDENT EMPLOYMENT



# Scholarships/Grants

- Money that does not have to be paid back
- Scholarship- Usually awarded on the basis of merit, skill, or a unique characteristic
- Grant- Usually awarded on the basis of financial need



# Loans

- Money students and parents borrow to help pay educational expenses
- Repayment usually begins after education is finished – look at federal programs first
- Current (federal) interest rates as low as 4.99%
- Only borrow what is really needed
- Look at loans as an investment in the future

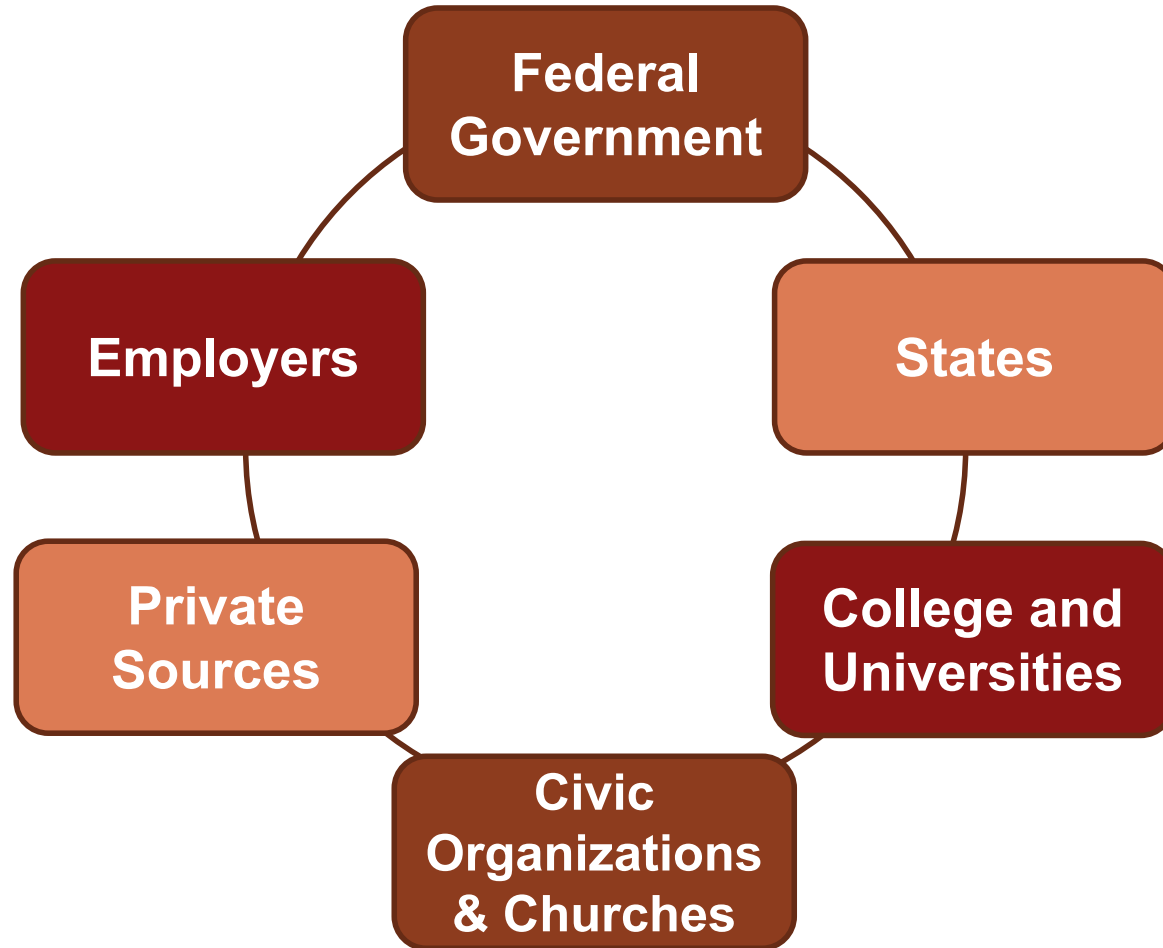


# Student Employment

- Allows student to earn money to help pay educational costs
- Working part-time is helpful for most students; Working too much can affect grades!



## Sources of Financial Aid



# Federal Government

- Largest source of financial aid
- Student must be a US Citizen or Permanent Resident
- Aid awarded primarily on the basis of financial need
- Must apply every year using the FAFSA
- [Studentaid.gov](https://studentaid.gov)



An official website of the United States government.

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**Federal Student Aid**  
AN OFFICE of the U.S. DEPARTMENT of EDUCATION

[UNDERSTAND AID](#) ▾

[APPLY FOR AID](#) ▾

[COMPLETE AID PROCESS](#) ▾

[MANAGE LOANS](#) ▾

[Log In](#) | [Create Account](#)



# State Student Aid Programs

- California Student Aid Commission ([www.csac.ca.gov](http://www.csac.ca.gov))
  - CA Community Colleges Board of Governors Fee Waiver
  - Middle Class Scholarship (UC/CSU Only)
  - Cal Grants (full fees at UC/CSU, \$9,356 at private non-profits in CA)
- Application Deadline is March 2<sup>nd</sup>
  - FAFSA (for US Citizen/Perm Resident) listing a CA College, & GPA Verification (which your high school will submit on your behalf)
  - California Dream Act Application ([dream.csac.ca.gov](http://dream.csac.ca.gov)) for undocumented students who attended CA high schools



# Colleges and Universities

- Award aid on the basis of both merit and need
- Aid may be gift aid or loans/work
- Deadlines and application requirements vary by institution
- Many have funds for non-US Citizens



# Private Scholarships

- Research what is available in community or through employers
- Application process usually senior year – start early!
- Internet databases –  
[bigfuture.collegeboard.org/scholarship-search](http://bigfuture.collegeboard.org/scholarship-search),  
[www.scholarships.com](http://www.scholarships.com)
- Your high school is a good source for information about local scholarships
- Small scholarships add up!
  - [opportunity.collegeboard.org](http://opportunity.collegeboard.org) - earn scholarships just for completing college application steps



## The Application Process



# Free Application for Federal Student Aid (FAFSA)

- [www.FAFSA.gov](http://www.FAFSA.gov)
- A standard form that collects demographic and financial information about the student and family
- May be filed electronically
  - Available in English and Spanish
- Required by all schools awarding federal aid
- **2023-2024 FAFSA** available on **October 1, 2022** and asks for info from parent and student's **2021 tax forms**
- **2024-2025 “Simplified” FAFSA** will not be available until **December 2023**, and will ask for info from **2022 tax forms**



# Complete the FAFSA® Form

Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or graduate school.

## New to the FAFSA® Process?

Completing the FAFSA form is free. Fill it out now.

[Start Here](#)

## Returning User?

[Correct info](#) | [Add a school](#)

[View your Student Aid Report \(SAR\)](#)

[Log In](#)

## Create an Account (FSA ID)



Parents



Students



Borrowers

Whether you're a student, parent, or borrower, you'll need to create your own account to complete federal student aid tasks.

### What You Can Use Your Account For

- Filling out the *Free Application for Federal Student Aid (FAFSA®)* form
- Signing your *Master Promissory Note (MPN)*
- Applying for repayment plans
- Completing loan counseling
- Using the *Public Service Loan Forgiveness Help Tool*

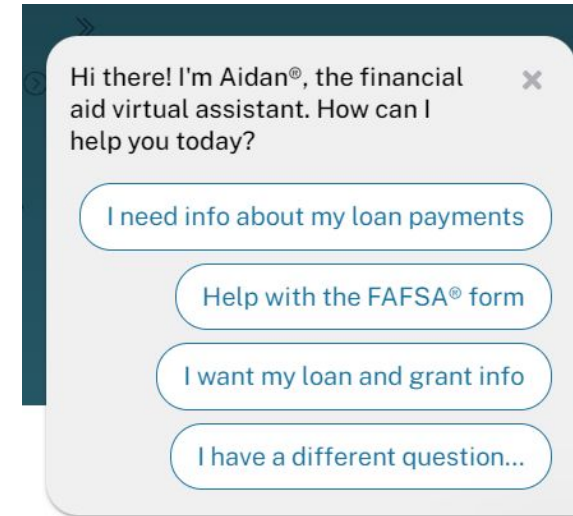
### Items Needed to Create an Account

- Social Security number
- Your own mobile phone number and/or email address

- Students and at least one parent will want to create an FSA ID (if you have an SSN) to be able to sign the FAFSA electronically
  - Can sign through the mail but will take longer
  - Will be used in future years

# FAFSA Tips

- Remember: It is the Student's Application!
  - You can check application status on-line and add additional schools as a "Returning User"
- Help text for each question
- Virtual Assistant
- Free help available: 1-800-4-FED-AID



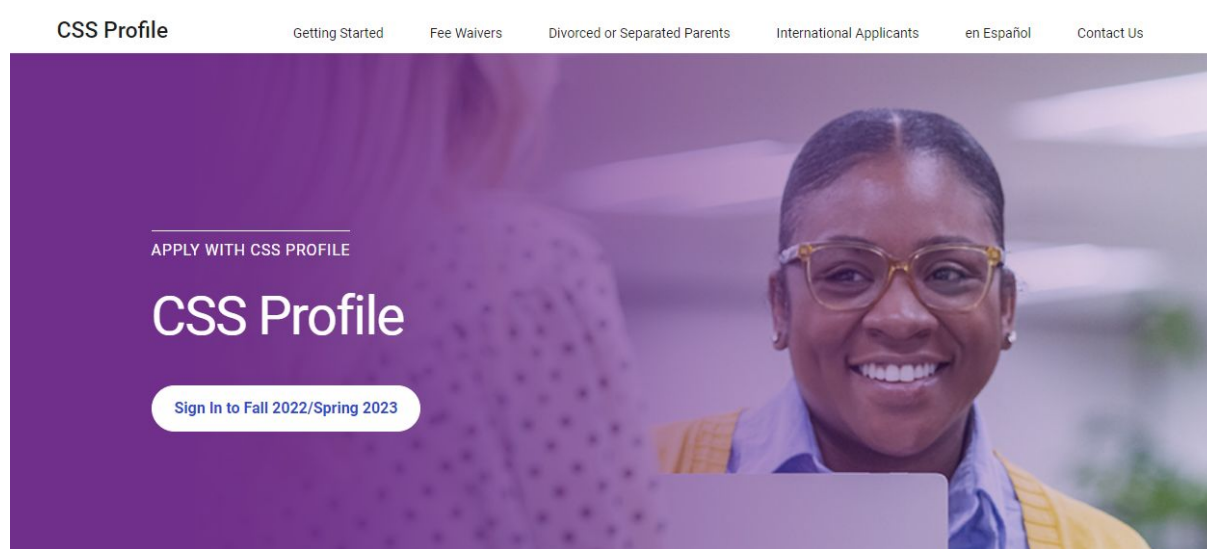
# IRS Data Retrieval Tool (DRT)

- Participation is voluntary
- Reduces documents requested by the Financial Aid Office
  - If selected for Verification may require IRS Tax Transcript if didn't use the DRT
- Not available if your status was married filing separately, amended tax return, etc.





# CSS Profile Application - [cssprofile.collegeboard.org](https://cssprofile.collegeboard.org)



- Application for non-federal aid created by the College Board
- Typically required by schools that are awarding large amounts of institutional aid
- There is a fee to use the application; waiver is offered to all families with AGI less than \$100K

# Special Circumstances

Medical expenses  
not covered by  
insurance

Change in  
Employment Status or  
Income due to  
COVID-19

Change in  
Parent Marital  
Status

Unusual Expenses for  
other children, support  
for extended family

Non-discretionary  
expenses that  
affect your ability  
to pay for College

- Must report all tax year income on the FAFSA, both parents data on the FAFSA, etc.
- Contact the College your child is likely to attend.
- They may request additional documentation (the next year's income for example).
- College's decisions cannot be appealed to the US Department of Education.

## Helpful Web Sites

# Applications

- FAFSA.gov
- cssprofile.collegeboard.org
- Studentaid.gov
  - studentaid.gov/apply-for-aid/fafsa/filling-out
- CSAC.CA.gov
- Dream.CSAC.CA.gov
- Federal Student Aid YouTube Channel FOR VIDEOS ABOUT THE APPLICATION PROCESS, LOANS, ETC.

# Scholarship Search

- [bigfuture.collegeboard.org/scholarship-search](http://bigfuture.collegeboard.org/scholarship-search)
- [Scholarships.com](http://Scholarships.com)
- [Goingmerry.com](http://Goingmerry.com)
- [HSF.net](http://HSF.net) (Hispanic Scholarship Fund)

## Statistics/Calculators

- BigFuture.org
- CollegeNavigator.gov
- MyInTuition.org

# Thank you!



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GOOGLE DRIVE.