




About MEFA

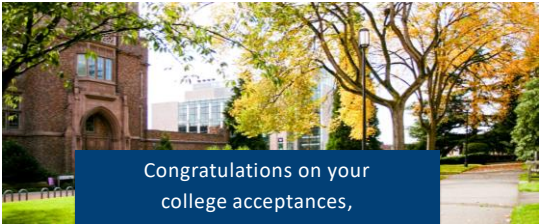
Not-for-profit state authority created in 1982 helping families plan, save, and pay for college

Keeping you on track with FREE college planning:

- Visit mefa.org: Information, tools, & resources
- Call us: (800) 449-MEFA (6332)
- Email us: collegeplanning@mefa.org
- Follow us: Facebook, Twitter, & LinkedIn
- Get our emails: Sign up on mefa.org
- Attend a seminar: Details at mefa.org/events
- Attend a webinar: Register at mefa.org/events




Welcome



Congratulations on your college acceptances, students and parents!

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This Seminar Will Help You To...




- Understand your financial aid awards
- Know your options if you haven't applied for aid
- Learn how to calculate the balance due
- Determine options for paying the college bill
- Develop an action plan for this year and beyond

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Merit-Based vs. Need-Based Aid


Merit-Based Aid

- Awarded in recognition of student achievements (academic, artistic, athletic, etc.)
- Criteria differs from school to school
- Often has requirements for renewal



Need-Based Aid

- Awarded based on family's financial eligibility
- Determined by standardized formula
- Very likely not to receive full amount of eligibility
- Includes most federal, state, and institutional (college) aid



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Understand Your Financial Aid Awards

- Types of aid:
 - Grants/Scholarships
 - Work-study
 - Loans
- Sources of aid:
 - Federal
 - State
 - Colleges
- Financial aid award letters look different!
- Accept all or part by May 1st

ABC UNIVERSITY
 Student Name: [Name]
 ID Number: [ID]
 Address: [Address]

Financial Aid Award

Source	Year 1	Year 2	Year 3	Year 4	Total
Federal Pell Grant	1,200	1,200	1,200	1,200	4,800
State Grant	800	800	800	800	3,200
College Grant	500	500	500	500	2,000
Federal Work-Study	1,000	1,000	1,000	1,000	4,000
Federal Direct Loan	2,000	2,000	2,000	2,000	8,000
State Direct Loan	1,000	1,000	1,000	1,000	4,000
College Direct Loan	1,000	1,000	1,000	1,000	4,000
Total	7,500	7,500	7,500	7,500	30,000

Federal Direct Student Loans

- Student is the borrower – no credit check
- Fixed interest rate changes annually: 5.05% for 2018-19
- Two types:
 - Subsidized: Interest accrues after student leaves school
 - Unsubsidized: Interest accrues immediately
- 1.062% fee deducted from loan amount
- Promissory Note & Entrance Counseling: StudentLoans.gov
- No payments while in school and several repayment options

Annual Loan Limits	
Freshman Year	\$5,500
Sophomore Year	\$6,500
Junior Year	\$7,500
Senior Year	\$7,500



Verification

- Colleges verify data on financial aid applications
- Students selected by Department of Education or college
- Must comply with all requests to receive financial aid
- Families must submit additional documentation:
 - Tax Return Transcript
 - Verification Worksheet
 - Asset Account Statements
- Review all correspondence from colleges
- Log into college web portal for communications



If You Have Not Applied For Aid


Federal & state financial aid is **still** available by filing the FAFSA. The Massachusetts deadline is May 1st



Many college financial aid deadlines have passed. But payment plans are open to all, and anyone may apply for private loans.

A Word About the Waitlist

- Some schools have a very long list and never accept a student from it
- Those accepted off the waitlist may receive minimal financial aid
- Remember to submit an enrollment deposit at another school (usually non-refundable)



Steps to take when on the waitlist:


1. Formally accept spot on the waitlist
2. Write a short note to the admissions counselor
3. Update the school with recent grades and awards
4. Keep in touch with the school over social media

Calculating the Balance Due

College charges
 - Financial aid & enrollment deposit
 = Balance due

College Charges


- Tuition
- Fees
- Room
- Board/Meal Plan
- Health Insurance



mefa.org/my-college-cost-calculator


Past Income

- 529 College Savings Plans
- Prepaid Tuition Plans
- Savings Bonds
- Stocks
- CDs
- Student Bank Accounts
- Other Investments




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Utilizing Savings from the U.Plan and U.Fund



mefa
UPLAN
Massachusetts U.Plan



mefa
UFUND
Massachusetts 529 Plan


- U.Plan Distribution Request Forms will be mailed in April
- Questions?
 - Email collegeplanning@mefa.org
 - Call **(800) 449-MEFA (6332)**
- Visit fidelity.com/saving-for-college/529-plan-distributions to:
 - Obtain a 529 College Investing Plan Distribution Form
 - Set up BillPay™ to send funds directly to the college
- Questions?
 - Call **(800) 544-2776**

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Present Income

Consider using an **interest-free monthly payment plan**

- Pay over 5 to 12 months
- No interest charges or credit requirements
- Minimal enrollment fee
- Great option to minimize borrowing
- Plans typically begin in May, June, or July
- Contact the college for more information



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Future Income

Be a Wise Borrower:

- Know your credit history
- Borrow only what you need
- Think in terms of total enrollment (4+ years) and total debt
 - Consider the post-graduation monthly repayment
- Consider major/career, employment rates, & starting salary

Understand:

- Fixed or variable interest rate
- Repayment timeline
- Primary borrower

• Multiple credit inquiries in a short period only count as one inquiry

If you have questions about borrowing, attend our Comparing Loan Options webinar

Monday, June 3rd @ noon

Tuesday, July 9th @ noon

Create a Financing Strategy

mefa.org/loan-payment-calculator

A Pathway to Paying the Balance Due

Balance Due		\$20,000
<i>Past Income (Savings)</i>		
	Student Savings	-\$1,000
	Parent Savings	-\$4,000
<i>Present Income (Current Wages)</i>		
	Parent Contribution to Payment Plan	-\$5,000
<i>Future Income (Borrowing College Loans)</i>		
	Education Loan	-\$10,000
		\$0


Timing: Paying Your College Bill

- Fall semester bill: sent in June or July, due in July or August
- Apply for educational loans at least 2 weeks before bill deadline
- Set up payment plans according to the college schedule

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Private Scholarships

- Check with school counselors for local scholarship info
- Never pay to apply for a scholarship
- Community organizations, foundations, non-profits, and corporations all offer scholarships



Search online


- mefapathway.org
- CollegeBoard.org
- Fastweb.com
- StudentScholarshipSearch.com
- Follow MEFA on Facebook and Twitter for scholarship alerts

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Paying for College in MA: You Have Options

MassTransfer: mass.edu/masstransfer

- **Gen Ed Foundation:**
 - Guaranteed credit transfer from community college to 4-yr public MA school
- **A2B Degree:**
 - Guaranteed credit transfer from community college to 4-yr public MA school
 - No application fee or essay
 - Guaranteed admission and tuition credit based on GPA
- **A2B & Commonwealth Commitment**
 - Guaranteed credit transfer from community college to 4-yr public MA school
 - No application fee or essay
 - Guaranteed admission based on GPA and space permitting
 - Tuition credit for two years in day program if 3.00 GPA maintained



Tuition Break: nebhe.org/programs-overview/rsp-tuitionbreak/overview

- Reduction on out-of-state tuition costs at New England schools
- For programs not offered in your home state

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Financial Aid Office as a Resource

Learn about your financial aid

- Financial aid renewability criteria
- Treatment of private scholarships

Ask about special considerations

- Can I appeal my award?
- Changes in family circumstances

Find out additional details

- Open House and Orientation programs
- Additional financial resources

Ways to get in touch


- Financial Aid Office website
- In-person meeting
- Phone call
- Email

Financial Aid Office

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What's Next?

- Pay your enrollment deposit by May 1 (if required)
- Make plans to attend Orientation
- Create a plan as a family to pay the balance due
- Utilize MEFA as your resource
 - Sign up for MEFA emails to stay on track
 - Use tools on mefa.org: webinars, calculators, videos
 - Take advantage of one-on-one counseling with the MEFA team
 - Phone: (800) 449-MEFA (6332)
 - Email: collegeplanning@mefa.org



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Connect with MEFA on Social Media



- facebook.com/mefaMA
- @MEFAtweets
- linkedin.com/company/mefa
- youtube.com/MEFAcounselor

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Thank You

Questions?

(800) 449-MEFA (6332)
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mefa.org/collegebound2019
