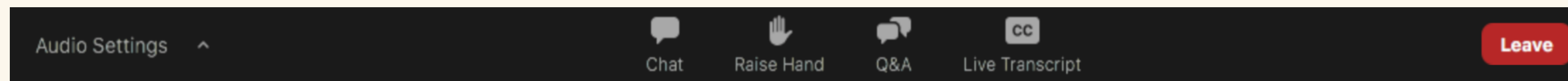


Financial Aid for College Admissions Professionals

A MEFA Institute Webinar

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How to Participate



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About MEFA

State authority created by the Commonwealth of Massachusetts in 1982, helping families plan, save, and pay for college

Your Presenters Today



Iris Godes
Dean of Strategic Enrollment
Management,
Framingham State University



Gail Holt
Dean of Financial Aid,
Amherst College



Bill Smith
Assistant Vice President of
Student Financial Assistance
Stonehill College



Stephanie Wells
Director of College Relations,
MEFA



Webinar Topics

- Types & Sources of Financial Aid
- The Application Process
- How Financial Aid Decisions Are Made
- Paying for College

Types And Sources Of Financial Aid

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What is Financial Aid?

Financial aid is money to help students pay for college

- 3 main types:
 - Grants and scholarships (gift aid)
 - Federal work-study
 - Federal student loans

Federal Direct Student Loans

- Student is the sole borrower
- No credit check
- Subsidized and Unsubsidized
- 5.50% fixed interest rate for 2023-24
- Repayment:
 - No payments due while enrolled
 - Multiple options (many tied to income)
 - Total borrowed for 4 years: \$27,000 max
 - Estimated payment: \$300/month for 10 years
 - Estimated total debt: \$32,000-\$34,000
 - Deferment, forbearance, and forgiveness opportunities

Annual Loan Limits

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

Sources of Financial Aid

Federal

- Grants, work-study, loans, tax incentives
- [StudentAid.gov](https://studentaid.gov)

State Aid

- Grants, scholarships, tuition waivers, loans
- In MA: mass.edu/osfa

College/University (institutional aid)

- Grants, scholarships, loans

Other Agencies

- Scholarships: Search through mefapathway.org and fastweb.com, and check with your school counselor

\$174.4 billion*: The total amount of aid students received in 2021-22

*Trends in Student Aid 2022, The College Board

Merit-Based Aid

- Awarded in recognition of student achievements (academic, artistic, athletic, etc.)
- Might have renewable requirements or not be renewable
- Not offered at every college; check each college's website for details
- Separate application sometimes required (check deadlines!)
- Application deadline may be as early as November

Need-Based Aid

- Based on family's financial eligibility ("need")
- Eligibility determined by a standardized formula
- Includes grants, loans, and work-study
- Most financial aid is need-based
- Must be making satisfactory academic progress

Questions from Families

1. How is need-based aid determined at your institution?
2. What should you be communicating to families about your institution's financial aid policies?
3. Does your school offer merit-based scholarships?
 - How do students apply?
 - Are students required to apply for financial aid even if they receive a merit scholarship?
4. What loans are available for students to take out on their own?

The Application Process

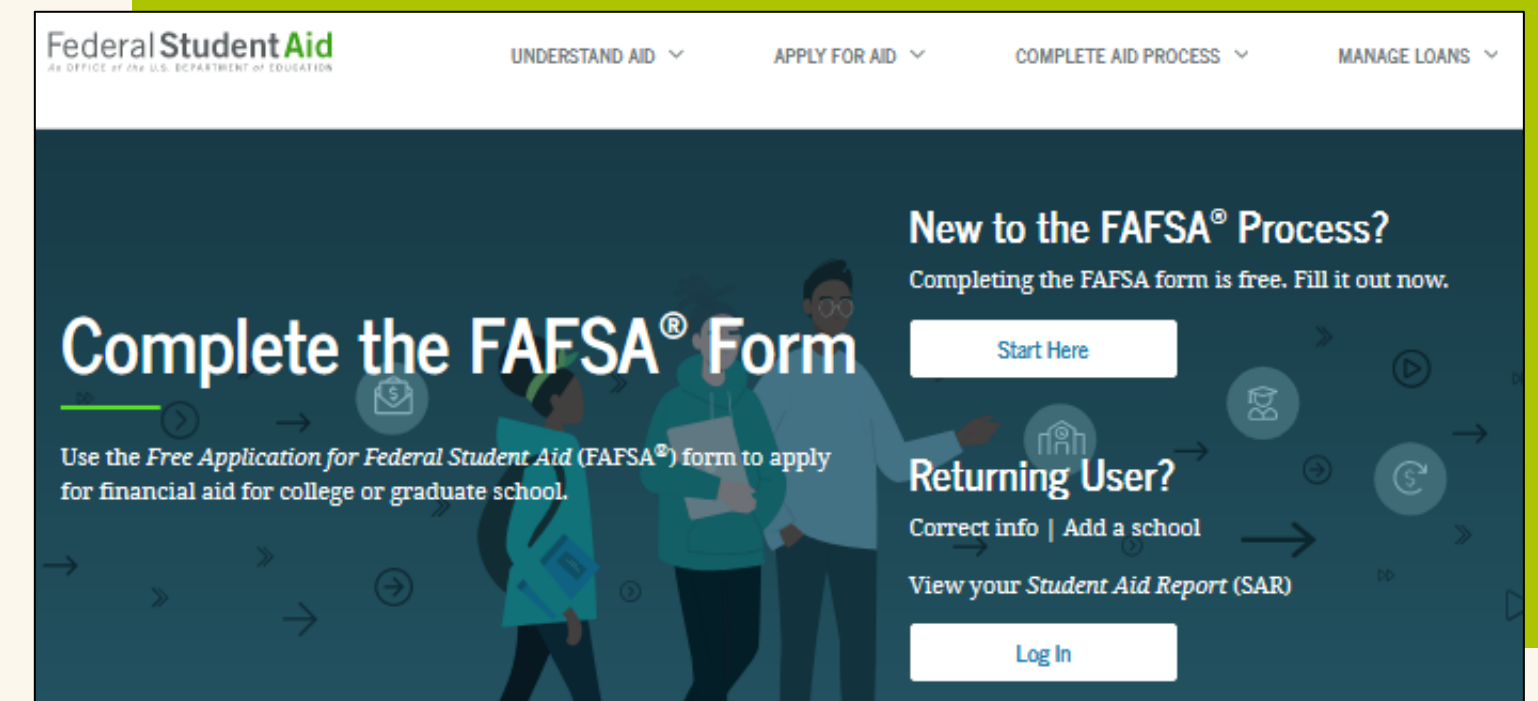
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Financial Aid Timeline

- Families should check deadlines and required applications on each college's website now- Encourage Families to Apply!
- Early action/decision deadlines are often in Oct or Nov
- Standard deadlines are typically in Feb or March
- Families must MEET APPLICATIONS DEADLINES
- MEFA's College Application Manager: tool to stay organized
 - mefa.org/college-application-manager

FAFSA®

- Free Application for Federal Student Aid (FAFSA)
- Required by all colleges
- fafsa.gov
- Available in December this year (usually Oct 1st)
- Log in with an FSA ID: fsaid.ed.gov
 - Student and any parents on the FAFSA need one!
- Will pull in federal tax data from the IRS (must give consent)
- *A Deep Dive into the FAFSA MEFA Institute webinar in Dec*
- **MUST BE COMPLETED EVERY YEAR**



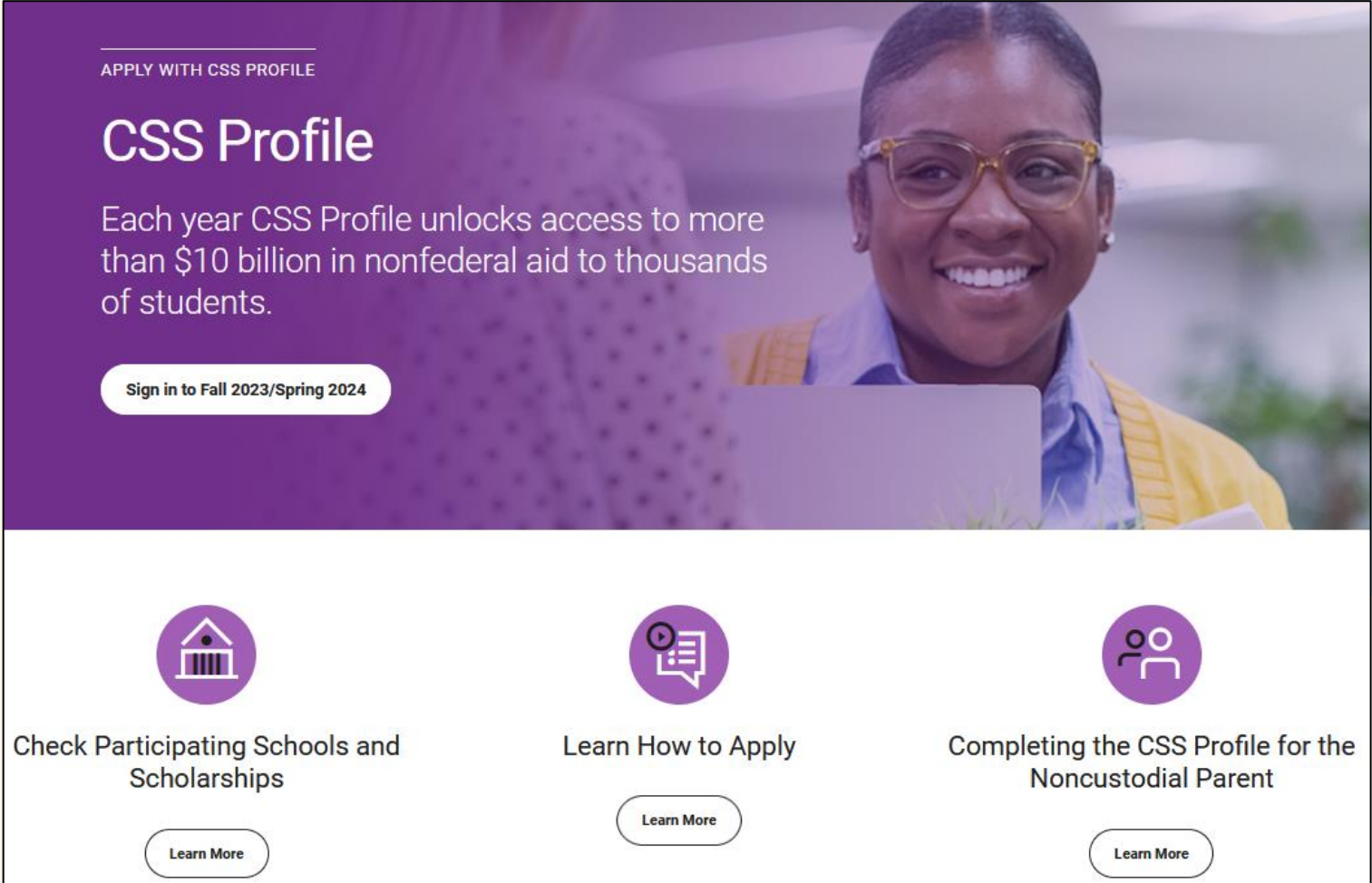
Other Financial Aid Applications

CSS Profile™

- cssprofile.org
- Required by some colleges and universities
- \$25 for 1st school, \$16 for each additional
- Fee waivers if parent income is \$100k or less or family meets certain other criteria
- Becomes available October 1st
- Noncustodial parent submits a separate profile
- *A Deep Dive into the CSS Profile* MEFA Institute webinar

College Financial Aid Application

- Required by some colleges and universities






APPLY WITH CSS PROFILE

CSS Profile

Each year CSS Profile unlocks access to more than \$10 billion in nonfederal aid to thousands of students.

Sign in to Fall 2023/Spring 2024

- 
Check Participating Schools and Scholarships
[Learn More](#)
- 
Learn How to Apply
[Learn More](#)
- 
Completing the CSS Profile for the Noncustodial Parent
[Learn More](#)

After Students Apply

1. Colleges & state receive data electronically
2. Student will receive a FAFSA Submission Summary (FSS) by mail or email
3. Contact the Financial Aid Office with any special circumstances
4. Colleges may request Federal Verification documents. The financial aid application is incomplete until families submit these documents.
5. Colleges review applications and determine the financial aid offer

Questions from Families

1. What financial aid applications are required and when are they due?
2. If we apply for financial aid will that lessen the likelihood of admittance to your school?
3. Can I still apply for and receive aid if I miss the school's financial aid deadline?

How is Financial Need Determined?

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Cost of Attendance (COA)

COA = Total Expenses for One Year of College



= Billed or Direct Expenses



= Non-Billed or Indirect Expenses

Tuition & Fees

+

Food & Housing

+

Books & Supplies

+

Transportation

+

Personal Expenses

Student Aid Index (SAI)

- SAI has replaced Expected Family Contribution (EFC)
- Amount family has ability to absorb for 1 year of college costs
- Same federal formula used for every family
- Some colleges also use an institutional formula
- Family has the primary responsibility for paying
- Not necessarily what the family will pay
- Pell eligibility isn't always directly tied to SAI like it was to EFC
- EFC Calculator (name will change to SAI Calculator) on mefa.org

Pell Eligibility

- Pell eligibility isn't always directly tied to SAI like it was to EFC
- There are now 3 paths to Pell eligibility:
- ***Maximum Pell***
 - Based on federal poverty guidelines, AGI, state of residence, family size, and tax filing status
- ***SAI-Calculated Pell***
 - Used if student doesn't meet max Pell guidelines
 - Equals max Pell minus the SAI
 - Example: If max Pell = \$6,000, and SAI = \$4,000, then Pell = \$6,000 - \$4,000 = \$2,000
- ***Minimum Pell***
 - Used if student isn't eligible for first two paths above
 - Based on federal poverty guidelines, AGI, state of residence, family size, and tax filing status

Financial Aid Formula

Colleges fill in
Financial Need
with financial aid
from all sources

*Negative SAI is treated as
zero for this formula

Cost of Attendance (COA)

-

Student Aid Index (SAI)*

-

Other Financial Aid (OFA)

=

Financial Need

Net Price Calculators

- Online tool found on each institution's website
- Asks questions about family finances & student academics
- Provides personal, estimated net college price
- Displays federal & institutional aid
- Merit-based aid may also be included

Questions from Families

1. What is the total cost of attendance/sticker price?
2. Assuming that cost and family responsibility remain constant, how will grant and loan amounts change from year to year? What if the family's situation changes?
3. Are scholarships/grants renewable each year? If so, are there conditions such as grade point average, enrollment status, or major?
4. If I make \$XYZ in income, how much aid will I get from your school?

Paying For College

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Filling SAI and Unmet Need

Balance Due: \$20,000

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

Understand the Cost of Borrowing

MEFA's Student Loan Payment Calculator

mefa.org/pay/loan-payment-calculator

Amount to borrow: Years before graduation:

Parent or other co-borrower's credit profile:
 Good Very Good Exceptional Calculate

	Immediate Repayment: 10 Years	Immediate Repayment: 15 Years	Interest-Only Repayment: 15 Years	Deferred Repayment: 15 Years	Student Deferred with Co-borrower Release: 15 Years
In-School Monthly Payment	\$232.77 for 48 months	\$181.29 for 48 months	\$125.72 for 48 months	\$0.00 for 48 months	\$0.00 for 48 months
Post-School Monthly Payment	\$232.78 for 72 months	\$181.29 for 132 months	\$225.22 for 132 months	\$293.85 for 132 months	\$296.19 for 132 months
Total Cost of Loan	\$27,933.12	\$32,632.20	\$35,763.60	\$38,788.20	\$39,097.08
Interest Rate	6.80%	6.95%	7.45%	7.55%	7.65%
APR	5.35% - 7.35% **	5.75% - 7.5% **	6.55% - 7.95% **	6.6% - 7.85% **	6.75% - 7.95% **
	Loan Details	Loan Details	Loan Details	Loan Details	Loan Details

Private Scholarships

- School counselors often have local scholarship info
- Students should never pay to apply for a scholarship
- Community organizations, foundations, non-profits, and corporations all offer scholarships
- Searching online
 - mefapathway.org
 - CollegeBoard.org
 - Fastweb.com
 - Follow MEFA on social media for scholarship alerts

Questions from Families

1. Is it possible to ask for a larger scholarship at one school, when you received a larger scholarship from another school?
2. Can we appeal our financial aid offer? If so, when? As soon as possible or after the student has decided the school is the first choice?
3. Will I receive the same amount of aid if I am accepted off of the waitlist?
4. What's your school's average student debt and what % of students borrow?

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Thank You

QUESTIONS?

Call (800)-449-MEFA (6332)
or email collegeplanning@mefa.org

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