



# Financial Aid 101

# Connect with MEFA: Emails

Scan the QR code to sign up for MEFA emails on relevant college planning topics.



## Don't Miss MEFA's Guidance!

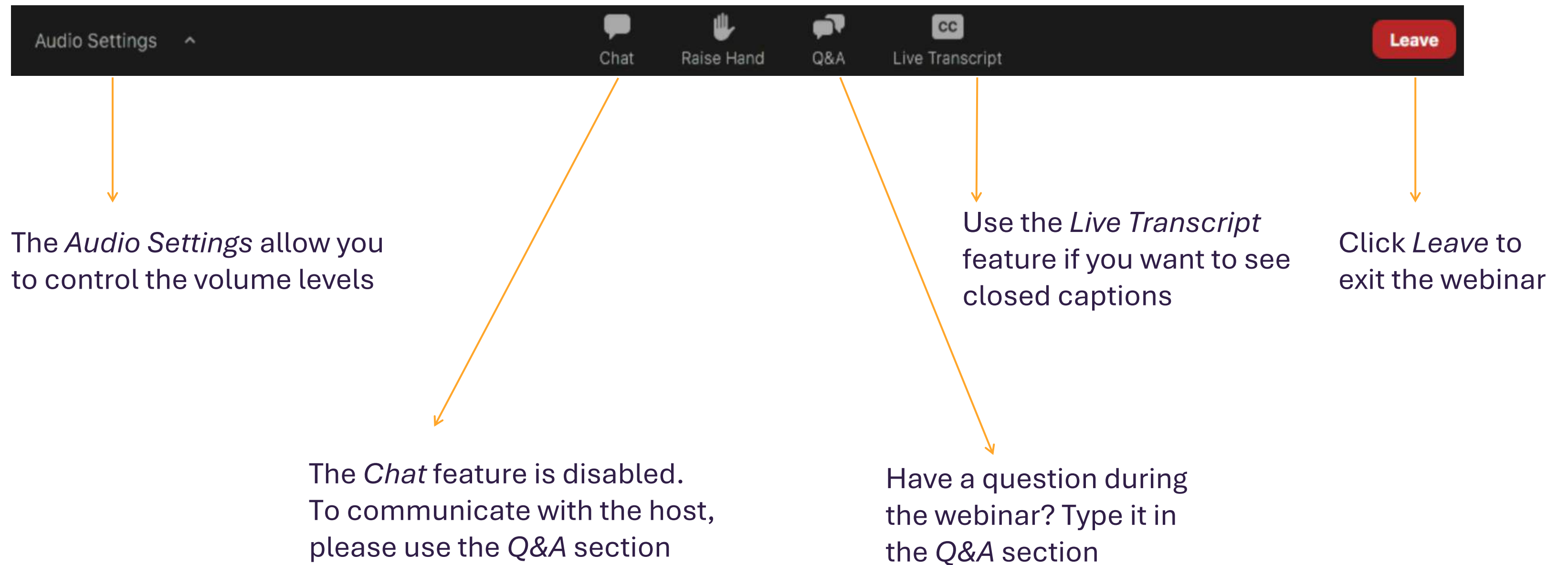
- Upcoming webinars
- Financial aid tips
- Important deadlines
- Scholarship lists
- Key articles
- And much more



# Connect with MEFA: Social Media



# How to Participate





# About MEFA

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





# Webinar Topics

- Types & Sources of Financial Aid
- The Application Process
- How Financial Aid Decisions Are Made
- Paying for College
- What You Can Do Now



# Types and Sources of Financial Aid

# 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
- 6.39% fixed interest rate for 2025-26
- 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	Massachusetts
<ul style="list-style-type: none"><li>Grants, work-study, loans, tax incentives</li><li><a href="https://studentaid.gov">StudentAid.gov</a></li></ul>	<ul style="list-style-type: none"><li>Grants, scholarships, tuition waivers, loans</li><li><a href="https://mass.edu/osfa">mass.edu/osfa</a></li></ul>
College/University (institutional aid)	Other Agencies
<ul style="list-style-type: none"><li>Grants, scholarships, loans</li></ul>	<ul style="list-style-type: none"><li>Scholarships: Search through <a href="https://mefapathway.org">mefapathway.org</a> and <a href="https://fastweb.com">fastweb.com</a>, and check with your school counselor</li></ul>
<b>\$190 billion*: The total amount of aid undergraduate students received in 2023-24</b>	

*\*Trends in Student Aid 2024, 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





# The Application Process



# Financial Aid Timeline

- Check deadlines and required applications on each college's website now
- You will likely apply for financial aid before you receive the admissions decision
- Early Action/Decision deadlines are often in October or November
- Standard deadlines are typically in February or March
- MEET APPLICATION DEADLINES!
- Use MEFA's College Application Manager to stay organized

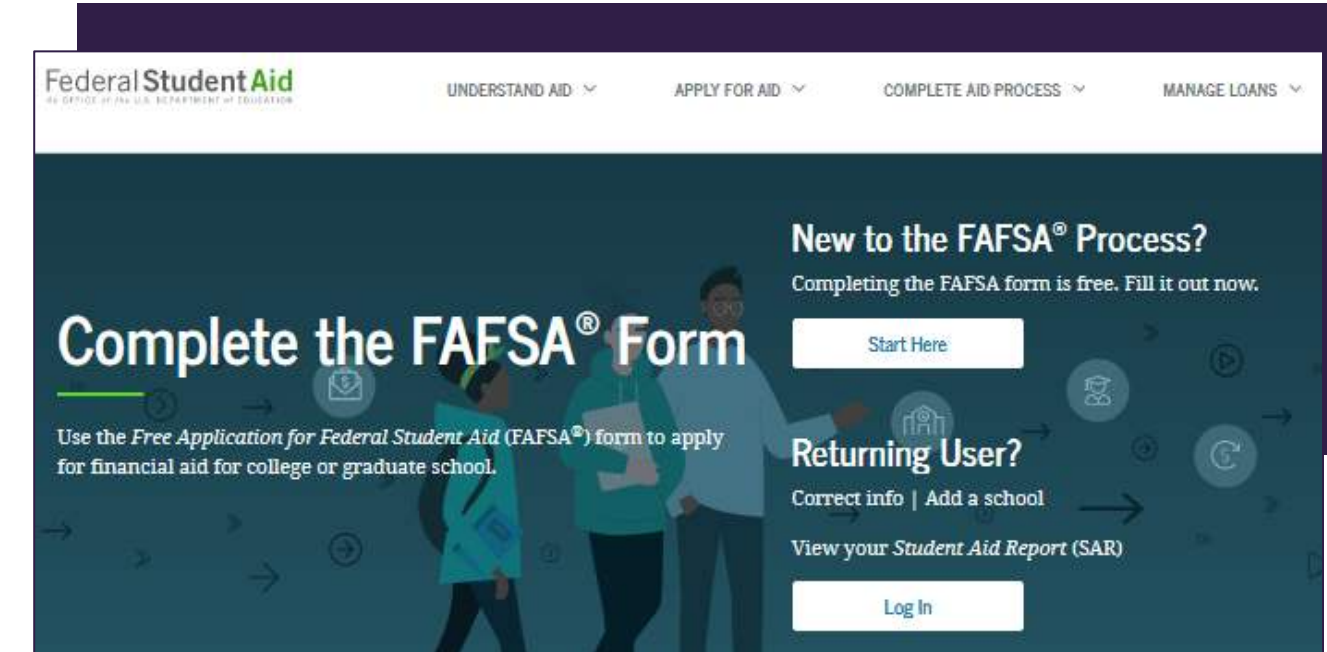
[mefa.org/college-application-manager](https://mefa.org/college-application-manager)



# FAFSA®

- Free Application for Federal Student Aid (FAFSA)
- Required by all colleges
- Must complete every year
- Available on Oct 1<sup>st</sup>
- Steps to complete:
  1. Go to [fafsa.gov](https://fafsa.gov) and select the 2026-27 FAFSA
  2. Have student start the FAFSA (**highly recommended**) and then invite all other contributors (parents)
  3. Each contributor will complete their own separate section
  4. Last contributor to complete can submit the FAFSA
  5. Incomplete FAFSAs are deleted after 45 days of no activity

Watch MEFA's *Understanding the FAFSA* webinar at [mefa.org/webinars](https://mefa.org/webinars) for step-by-step guidance



# FSA ID

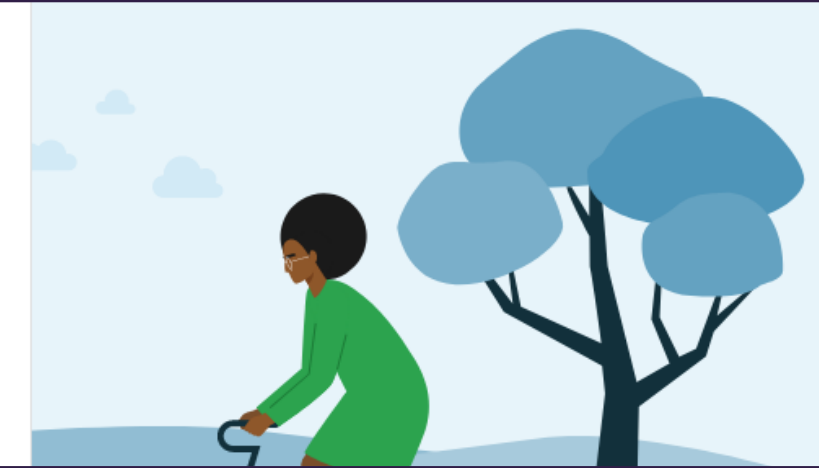
- FSA ID = username and password for the FAFSA
- Must have an FSA ID to log in
- Can set up your FSA ID now at [studentaid.gov/fsa-id/create-account](https://studentaid.gov/fsa-id/create-account)
- Must have an email address
- Who needs an FSA ID?
  - Student
  - Every parent listed on the FAFSA
    - If parents filed taxes jointly, only one parent needs one
  - Student's spouse (if applicable) if filed taxes separately or didn't file
- Those without an SSN will answer knowledge-based questions pulled from credit history

## Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to manage the student loan journey.

Get Started

Already have an account? [Log In](#)



# What's Reported on the FAFSA?

- General Information
- Student citizenship status
  - All U.S. citizens and eligible non-citizens can receive federal financial aid
  - Undocumented students may be eligible for MA in-state tuition and state aid
- Colleges where student is applying (each one will receive your FAFSA)
- Parents
  - Married, including same-sex parents, include both
  - All parents who live together, married or not
  - Divorced/Separated: parent who provided more financial support in last 12 months & current spouse
    - If parents provided equal support, use the parent with greater income and assets
  - Legal guardians are NOT a parent
- # in household: will pull from IRS but family can update
- # of children in college: will not be used in calculation

# What's Reported on the FAFSA?

- Financial Information
- Parent and student income (2024 income for the 2026-27 FAFSA)
  - Will pull in federal tax data from the IRS (must give consent)
  - Both taxed and untaxed income that appears on the tax return
- Parent and student assets
  - Include value of savings, checking, investments, larger businesses except commercial fishing businesses, other property
  - Include education savings accounts as a parent asset and don't report the ones for other children
  - Do not include primary home, value of retirement, life insurance, family farms, small businesses, or commercial fishing businesses
  - Child support received is considered an asset
- Debt is not reported except debt on reported assets



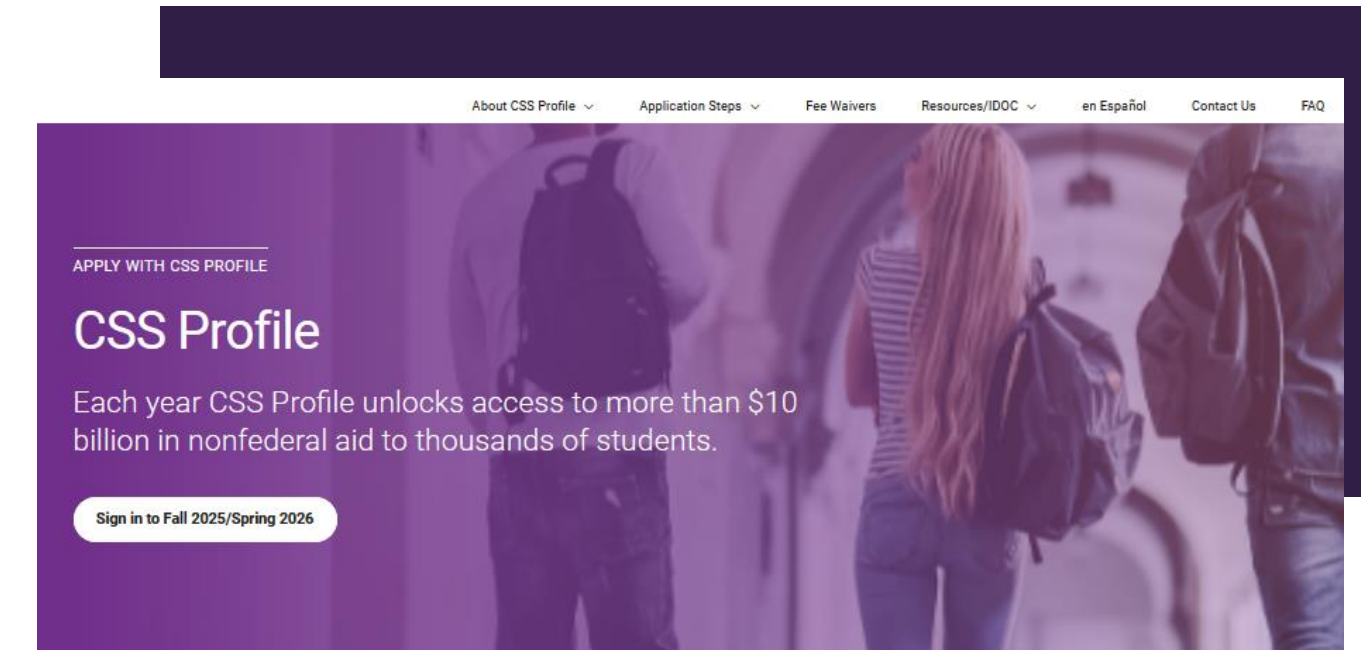
# Other Financial Aid Applications

## CSS Profile®

- [cssprofile.org](https://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 1<sup>st</sup>
- Noncustodial parent submits a separate profile
- *What to Know about the CSS Profile* webinar on [mefa.org/webinars](https://mefa.org/webinars)

## College Financial Aid Application

- Required by some colleges and universities



# After You Apply

- Colleges and the state receive data electronically
- Student will receive a FAFSA Submission Summary (FSS) by email
- Colleges may request additional documentation due to (mandatory) Verification
- Colleges review applications and determine the financial aid offer
- Financial aid may be sent with the admissions decision or after
- Review college websites to learn about each school's timing

# 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 as requested:
  - Tax Return Transcript
  - Verification Worksheet
  - Asset Account Statements
- Review all correspondence from colleges
- Log into college web portal for communications
- Create a family email address for the financial aid process so no requests are overlooked



# Financial Aid Office

<b>Learn about Your Financial Aid</b>	<ul style="list-style-type: none"><li>• Financial aid renewability criteria (financial, academic)</li><li>• How will a private scholarship affect my financial aid?</li></ul>
<b>Ask about Special Considerations</b>	<ul style="list-style-type: none"><li>• Changes in family circumstances</li><li>• Can I appeal my offer? How?</li></ul>
<b>How to Contact the Financial Aid Office</b>	<ul style="list-style-type: none"><li>• Phone call</li><li>• Email</li><li>• Chat (if offered)</li></ul>

# How Financial Aid Decisions are Made



# 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**

**+**

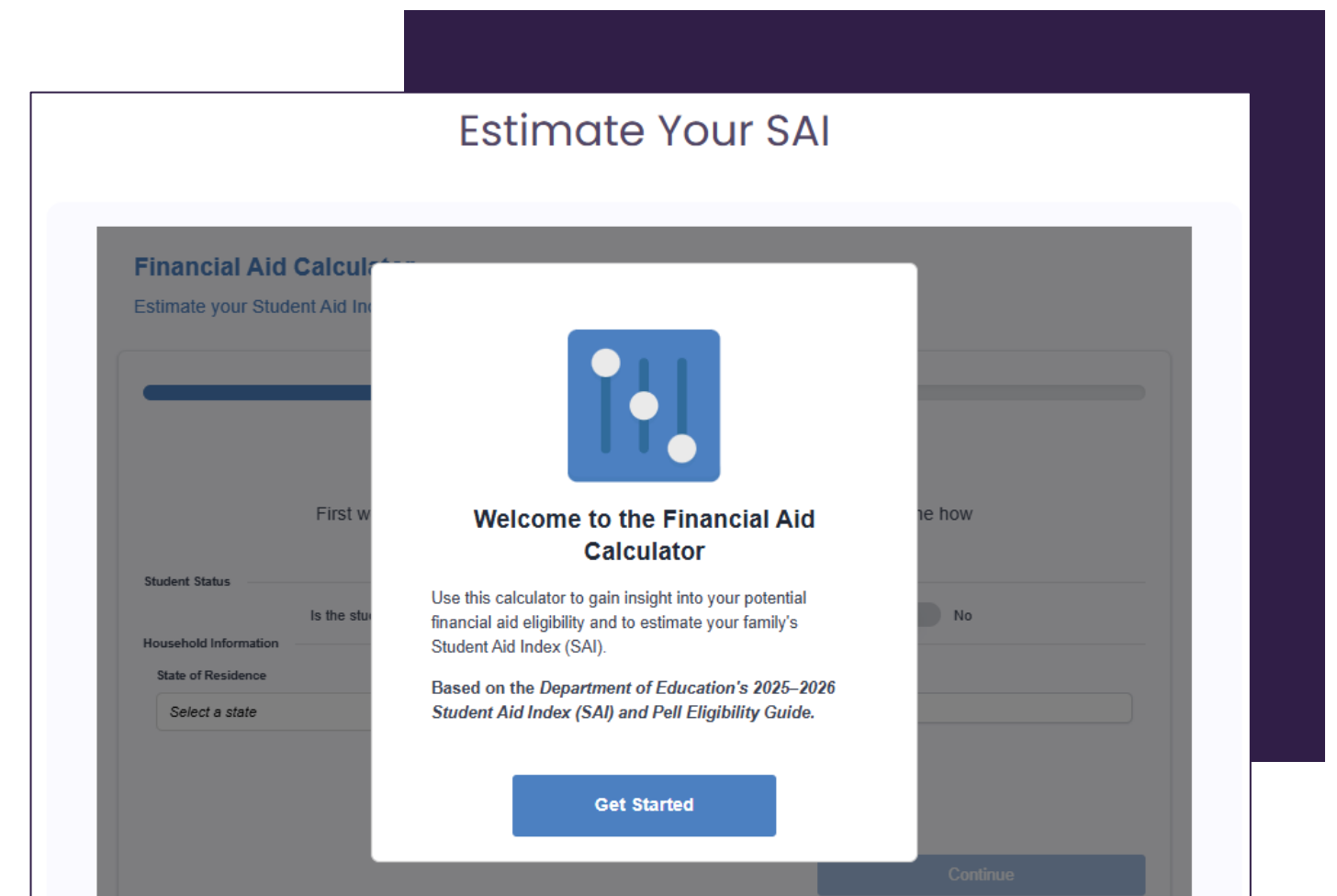
**Transportation**

**+**

**Personal Expenses**

# Student Aid Index (SAI)

- Number that represents a family's financial strength
- Same federal formula used for every family
- Income weighs much more heavily than assets
- Some colleges also use an institutional formula
- Family has the primary responsibility for paying
- Not necessarily what the family will pay
- SAI Calculator at [mefa.org/sai-calculator](https://mefa.org/sai-calculator)



# Financial Aid Formula

**Colleges fill in  
Financial Aid  
Eligibility with  
financial aid from  
all sources**

**Cost of Attendance (COA)**

**-**

**Student Aid Index (SAI)\***

**=**

**Financial Aid Eligibility**

\*Note that a negative SAI is treated as zero in this formula

# Financial Aid Awarding

**College  
Cost of  
Attendance**  
**\$45,000**

Unmet need and  
SAI are the  
FAMILY's  
responsibility

Unmet Need	\$5,000
Work-Study	\$2,000
Student Loans	\$5,500
Grant Scholarship	\$17,500 \$10,000
SAI	\$5,000

# Net Price Calculators

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





# Offer Letters: Totals Can Vary



College  
Cost of  
Attendance

**\$45,000**

Student Aid Index  
(SAI)

**\$5,000**

Total Eligibility

**\$40,000**

	College A	College B	College C
Grants/Scholarships	\$32,500	\$25,500	\$17,500
Student Loans	\$5,500	\$5,500	\$5,500
Work-Study	\$2,000	\$2,000	\$2,000
Total	\$40,000	\$33,000	\$25,000
Unmet Need	\$0	\$7,000	\$15,000



Use MEFA’s College Cost Calculator to compare awards:  
[mefa.org/college-cost-calculator](https://mefa.org/college-cost-calculator)

# Offer Letters: Types Can Vary



College Cost of Attendance

\$45,000

Student Aid Index (SAI)

\$5,000

Total Eligibility

\$40,000

	College A	College B	College C
Grants/Scholarships	\$27,500	\$17,500	\$7,500
Student Loans	\$5,500	\$5,500	\$5,500
Parent Loans	\$0	\$10,000	\$20,000
Work-Study	\$2,000	\$2,000	\$2,000
Total	\$35,000	\$35,000	\$35,000
Unmet Need	\$5,000	\$5,000	\$5,000



Use MEFA’s College Cost Calculator to compare awards:  
[mefa.org/college-cost-calculator](https://mefa.org/college-cost-calculator)



# Paying for College

# 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

# Family Conversations on Affordability

- What is each school's net price?
- Who will pay for college costs?
- Consider community college first (free tuition and fees in MA)
- Consider the number of children in the family going to college
- Make a 4-year financing plan
- Federal PLUS Loan caps as of 7/1/26: \$20k/year, \$65k in total
- Think in terms of family total debt (4+ years of school) and student's potential starting salary



# Paying for College in MA



To apply for MA state financial aid, complete the FAFSA ASAP after Oct 1st

<https://www.mass.gov/free-and-affordable-college>

- **MassEducate:** Free community college (tuition & fees and potential book allowance) for all students
- **Mass Reconnect:** Free community college for adults over 25 years of age
- **MASSGrant Plus & MASSGrant Plus Expansion:** Free or reduced tuition & fees for low & middle-income students and potential book allowance at community colleges and 4-year public colleges
- **Tuition Equity Law:** Some undocumented students can receive MA state aid and in-state tuition rates by submitting the MASFA (<https://www.mass.edu/tuitionequity/home.asp>)
- **MassTransfer:** Makes transferring from a MA community college to a 4-year MA public college more affordable
- **Tuition Break:** Reduction on out-of-state tuition costs at New England colleges for certain programs (<https://nebhe.org/>)

[mefa.org/paying-college-massachusetts](https://mefa.org/paying-college-massachusetts)







# What You Can Do Now

# Staying on Track Through Senior Year

## Spring/Summer Junior Year

- Research colleges
- Visit campuses and college fairs
- Ask teachers for letters of recommendation
- Take the SAT/ACT
- Start writing the college essay

## Fall Senior Year

- Retake the SAT/ACT
- Secure letters of recommendation
- Finalize the college essay(s)
- Attend MEFA's *Financial Aid 101* webinar
- Complete all admissions applications
- Submit early admissions applications
- Get an FSA ID and submit the FAFSA
- Submit the CSS Profile if required

**View an extended timeline at: [mefa.org/college-admissions-and-financial-aid-timeline](https://mefa.org/college-admissions-and-financial-aid-timeline)**

## Winter Senior Year

- Submit admissions applications
- Apply for private scholarships
- Send in mid-year grade reports

## Spring Senior Year

- Receive admissions and financial aid offers
- Attend MEFA's *Financial Aid Offers & the College Bill* webinar
- Attend college open house programs
- Choose your college by May 1<sup>st</sup>



# Your Next Steps

- Get an FSA ID for the student and parent(s)
- Research deadlines and required applications
- Complete the FAFSA and CSS Profile (if needed) starting Oct 1st

**Register for other  
MEFA webinars**



**Reference MEFA's Timeline  
for College Admissions  
and Financial Aid**



**Sign up for  
MEFA's emails**



# Thank You!

## Questions?



**(800) 449-MEFA (6332)**



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