



# 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!

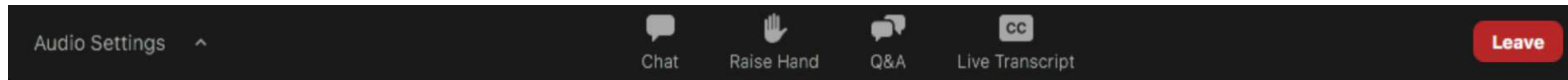
- Upcoming webinars
- Financial aid tips
- Important deadlines
- Scholarship lists
- Key articles
- And much more



# Connect with MEFA: Social Media

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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



# 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

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

## Massachusetts

- Grants, scholarships, tuition waivers, loans
- [mass.edu/osfa](https://mass.edu/osfa)

## College/University (institutional aid)

- Grants, scholarships, loans

## Other Agencies

- Scholarships: Search through [mefapathway.org](https://mefapathway.org) and [fastweb.com](https://fastweb.com), and check with your school counselor

**\$190 billion\*: The total amount of aid undergraduate students received in 2023-24**

*\*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



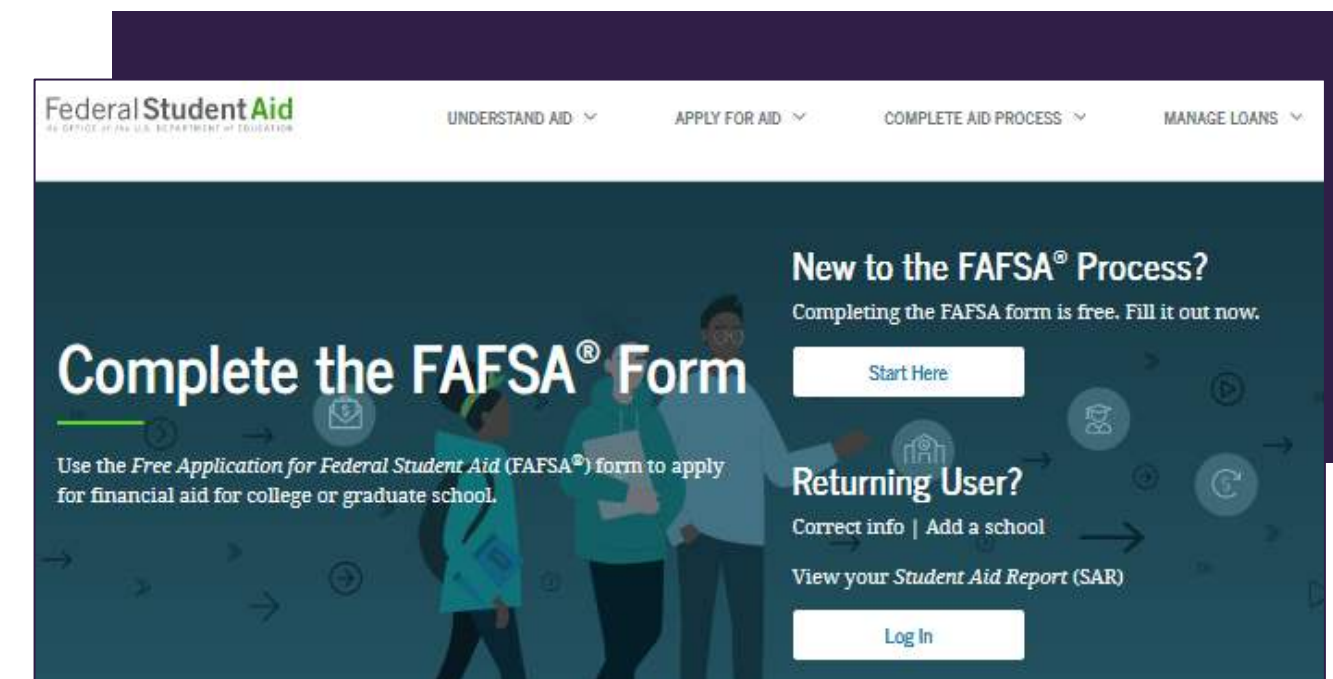
# The Application Process

# 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 at [fafsa.gov](https://fafsa.gov) on Oct 1st
- 2026 HS grads will do the 2026-27 FAFSA
- Contributor = person whose information appears on the FAFSA
- Student starts and then invites all other contributors
- Each contributor has a separate section
- Last contributor to complete can submit the FAFSA
- Incomplete FAFSAs are deleted after 45 days of no activity
- *Understanding the FAFSA webinar*



# FSA ID

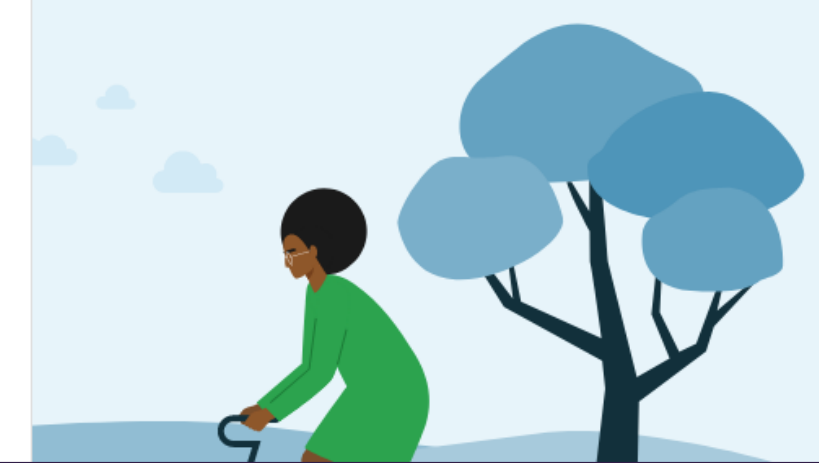
- FSA ID = username and password for the FAFSA
- Must have an FSA ID to log in
- Can set up your FSA ID now at [studentaid.gov/fsa-id/create-account](https://studentaid.gov/fsa-id/create-account)
- Must have an email address
- Who needs an FSA ID?
  - Student
  - Student's spouse if filed taxes separately or didn't file
  - Every parent listed on the FAFSA
    - If parents filed taxes jointly, only one parent needs one
- 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

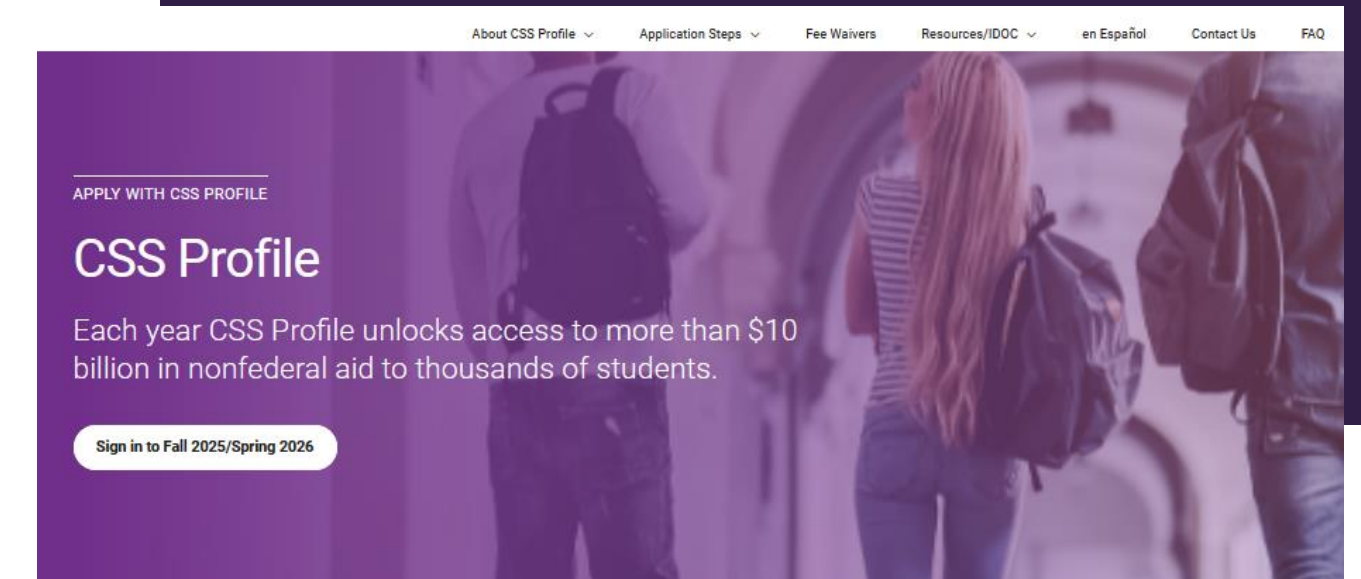
# What's Reported on the FAFSA?

- 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*



## 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**

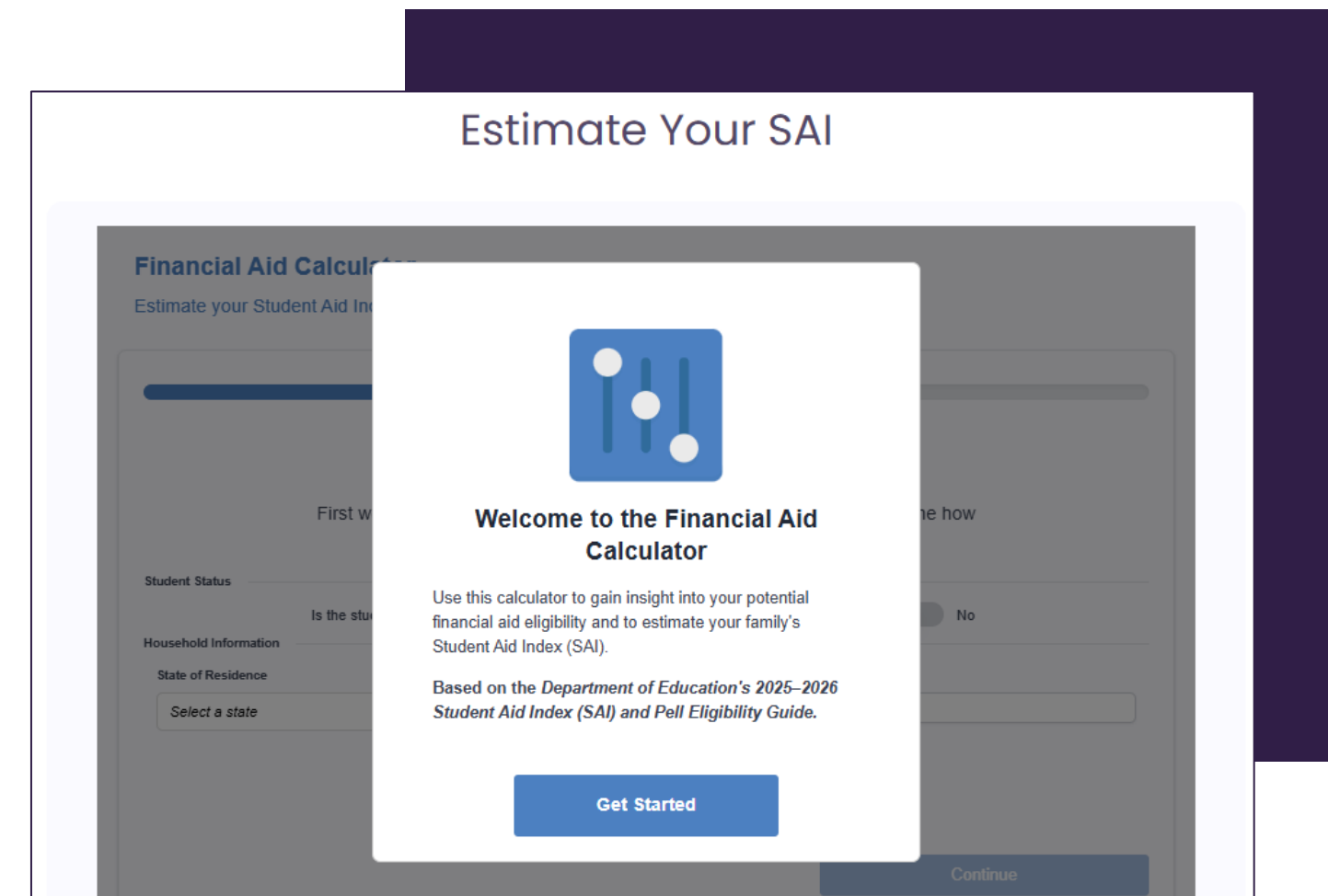
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**Personal Expenses**



# 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 on [mefa.org](https://mefa.org)



# 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

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

# 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  
TRANSPARENCY INITIATIVE™

	College A	College B	College C
College Cost of Attendance <b>\$45,000</b>			
Student Aid Index (SAI) <b>\$5,000</b>			
Total Eligibility <b>\$40,000</b>			
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  
TRANSPARENCY INITIATIVE™

	College A	College B	College C
<b>College Cost of Attendance</b> <b>\$45,000</b>			
<b>Student Aid Index (SAI)</b> <b>\$5,000</b>			
<b>Total Eligibility</b> <b>\$40,000</b>			
Grants/Scholarships	\$27,500	\$17,500	\$0
Student Loans	\$5,500	\$5,500	\$5,500
Parent Loans	\$0	\$10,000	\$29,500
Work-Study	\$2,000	\$2,000	\$0
<b>Total</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>
<b>Unmet Need</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>

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**

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



# 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



## Free and Affordable College

Free and affordable college tuition and fees are here across public Massachusetts community colleges and four-year universities!

To apply for MA state financial aid, complete the FAFSA by May 1<sup>st</sup>

<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 Expansion:** Free or reduced tuition & fees for low & middle-income students and potential book allowance
- **Tuition Equity Law:** Some undocumented students can receive MA state aid and in-state tuition rates (<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

## 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>

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

# 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)**



**[collegeplanning@mefa.org](mailto:collegeplanning@mefa.org)**

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