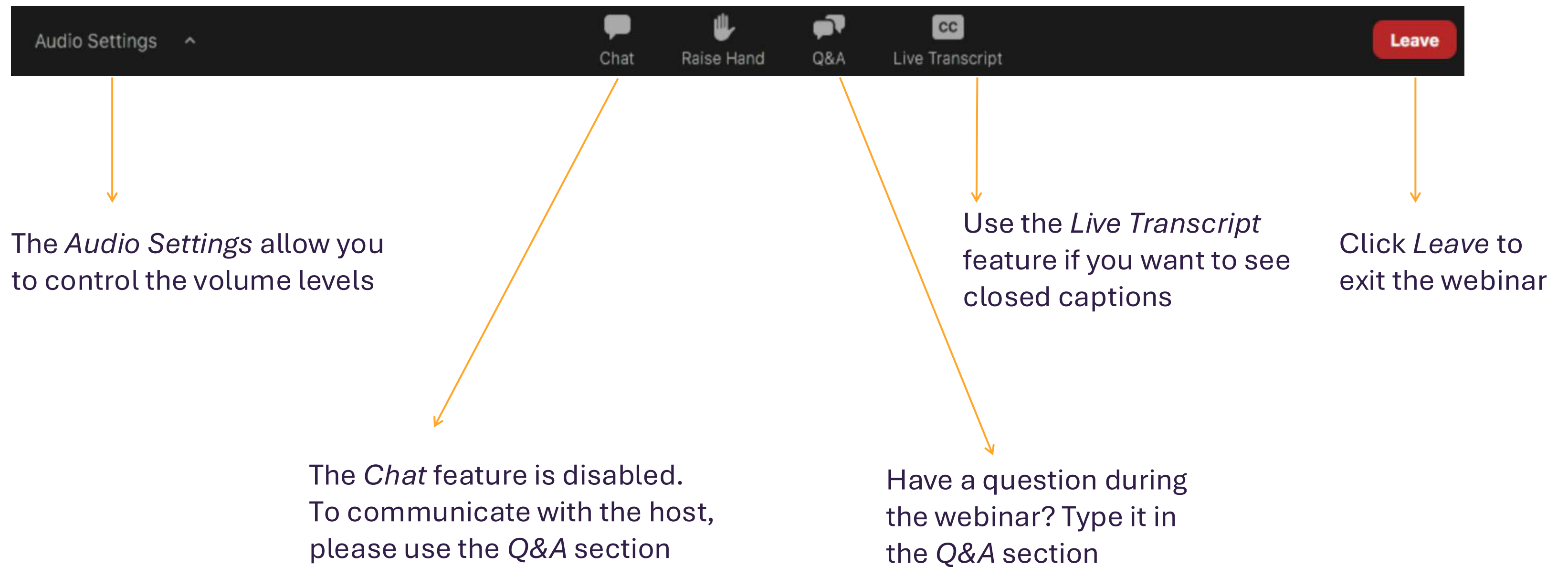


Financial Aid 101 for School Counselors



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
- Family and Counselor Next Steps



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">• Grants, work-study, loans, tax incentives• StudentAid.gov	<ul style="list-style-type: none">• Grants, scholarships, tuition waivers, loans• mass.edu/osfa
College/University (institutional aid)	Other Agencies
<ul style="list-style-type: none">• Grants, scholarships, loans	<ul style="list-style-type: none">• Scholarships: Search engines including mefapathway.org and fastweb.com,
\$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
- Students will likely apply for financial aid before they receive the admissions decision
- Early Action/Decision deadlines are often in October or November
- Standard deadlines are typically in February or March
- STUDENTS MUST MEET APPLICATION DEADLINES!
- MEFA's College Application Manager can help families stay organized

mefa.org/college-application-manager



FAFSA®

- Free Application for Federal Student Aid (FAFSA)
- Required by all colleges
- Must complete every year
- Available on Oct 1st
- Steps to complete:
 1. Go to 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

Families can watch MEFA's *Understanding the FAFSA* webinar at mefa.org/webinars for step-by-step guidance



FSA ID

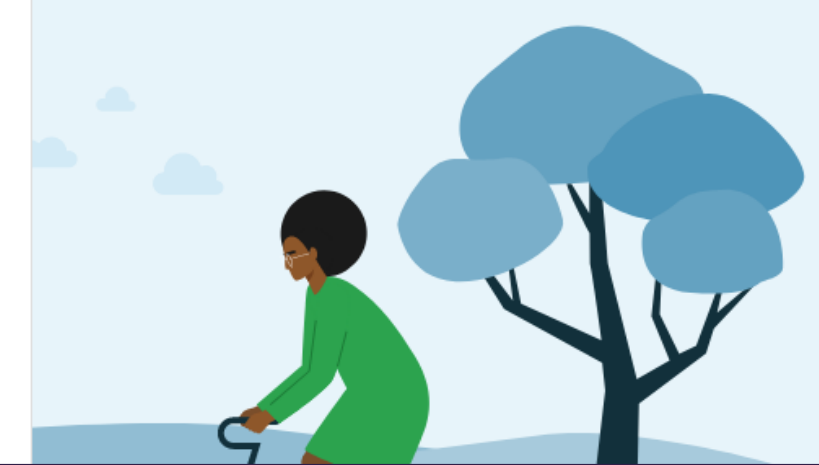
- FSA ID = username and password for the FAFSA
- Must have an FSA ID to log in
- Can set up the FSA ID now at studentaid.gov/fsa-id/create-account
- Must have an email address
- Who needs an FSA ID?
 - Student
 - Every parent listed on the FAFSA
 - If parents filed taxes jointly, only one parent needs 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 the FAFSA data)
- 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

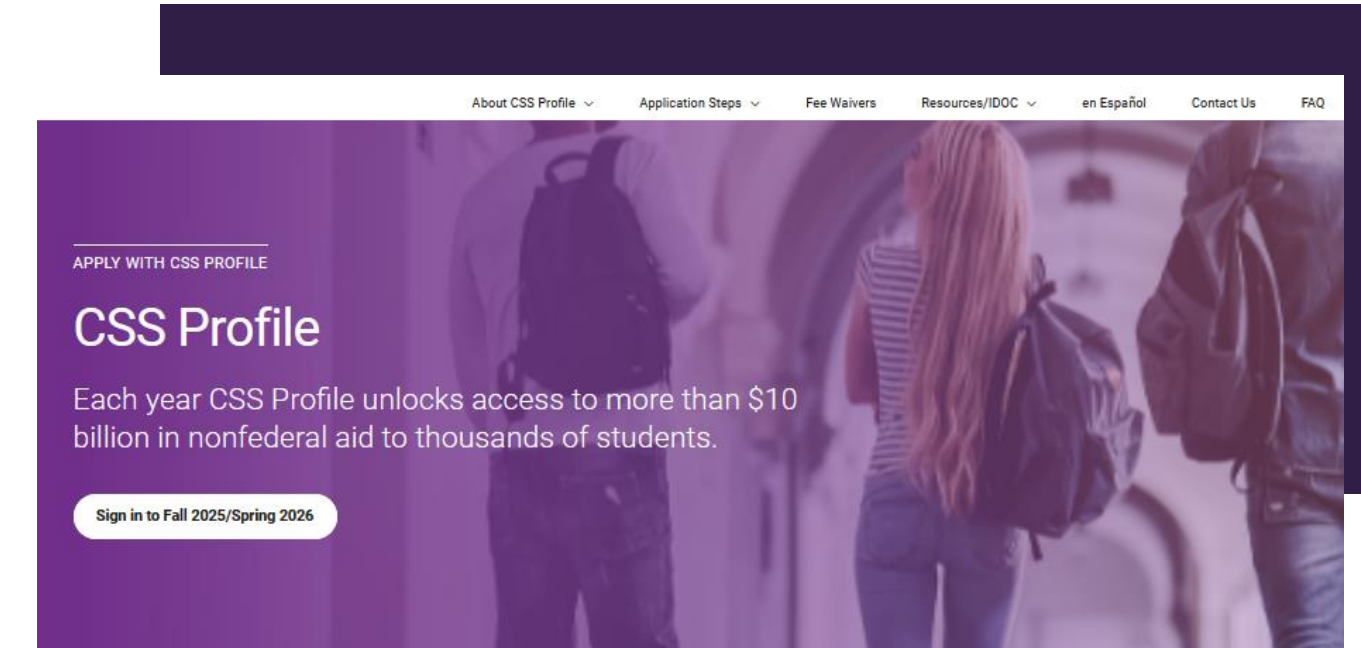
Other Financial Aid Applications

CSS Profile®

- cssprofile.org
- 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 Oct 1st
- Noncustodial parent submits a separate profile
- *What to Know about the CSS Profile* family webinar on 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
- Students should review all correspondence from colleges
- College web portal will post communications
- Helpful to create a family email address for the financial aid process so no requests are overlooked



Financial Aid Office

Learn About the Financial Aid	<ul style="list-style-type: none">• Financial aid renewability criteria (financial, academic)• How will a private scholarship affect the financial aid?
Ask About Special Considerations	<ul style="list-style-type: none">• Changes in family circumstances• Can offers be appealed? How?
How to Contact the Financial Aid Office	<ul style="list-style-type: none">• Phone call• Email• Chat (if offered)

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

+

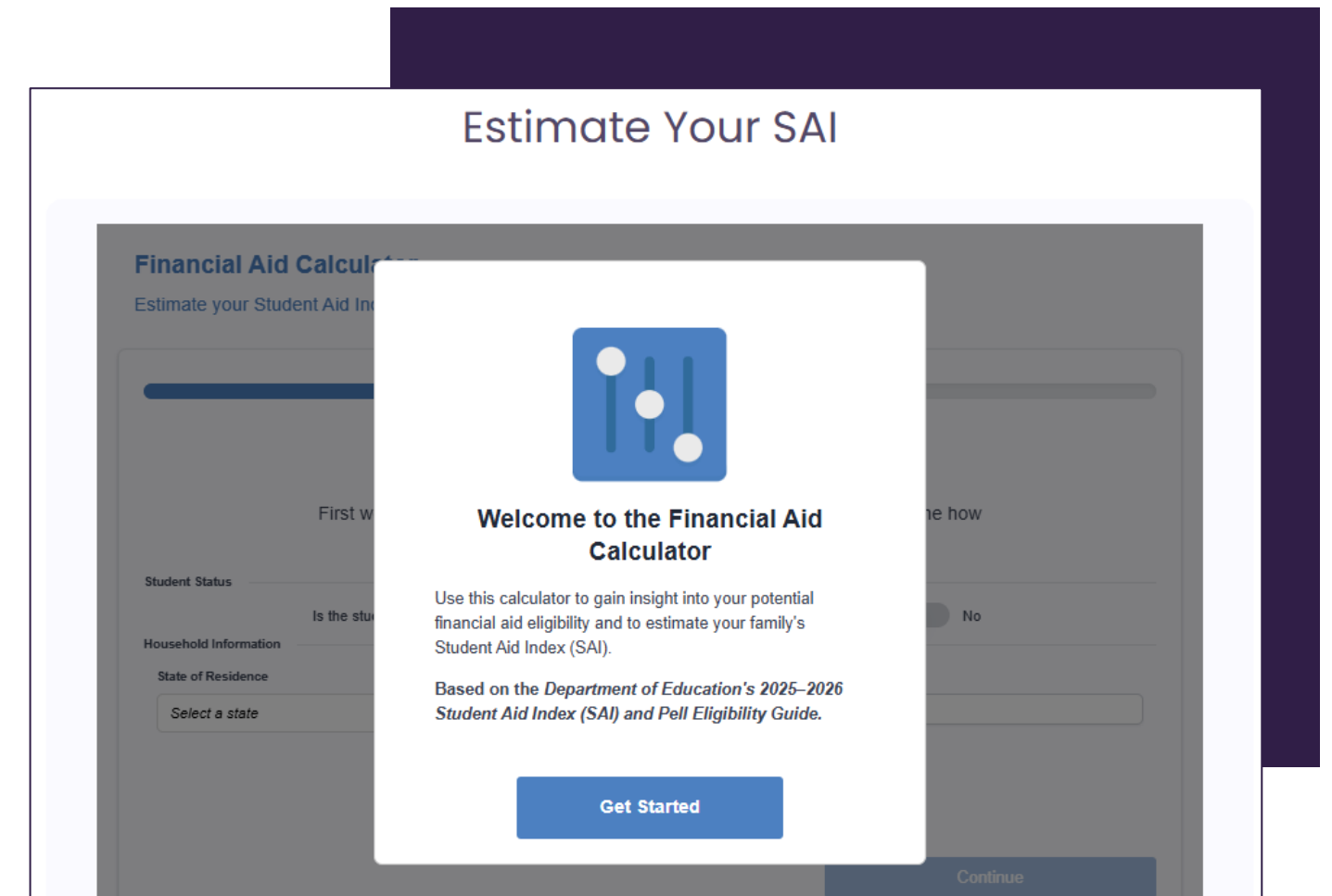
Transportation

+

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



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 and 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



Families can use MEFA’s College Cost Calculator to compare offers:
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



Families can use MEFA’s College Cost Calculator to compare offers:
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



Next Steps for Families and School Counselors

College Planning Timeline for Students

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 1st

View an extended timeline at: mefa.org/college-admissions-and-financial-aid-timeline



Next Steps for Families

- 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 MEFA
family webinars**



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



**Sign up for
MEFA's family emails**



Emails for School Counselors

Scan the QR code to sign up
for MEFA emails for school
counselors



Don't miss MEFA's guidance!

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



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Thank You!

Questions?



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