

Financial Aid Offers and the College Bill

MEFA[™]

About MEFA

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



Congratulations on your college acceptances, students and parents!

Webinar Topics

- Understanding and Comparing Financial Aid Offers
- Methods to Paying the College Bill
- What's Next
- Resources

Financial Aid Offers & the College Bill

Understand Your Financial Aid Offers

- Financial aid offers typically start arriving in March
- Types of aid:
 - Grants/Scholarships
 - Work-study
 - Loans
- Sources of aid:
 - Federal
 - State
 - Colleges
- Financial aid offers will look different from each other
- Accept all or part by the college deadline (usually May 1st)
- PLUS Loans are ONLY a suggestion, still need to be applied for and offered, and are limited to \$20k per year, \$65k in total

| Financial Aid Offer | | | |
|---|-----------------|-----------------|-----------------|
| You are eligible to receive the following assistance: | | | |
| | Fall | Spring | Total |
| ABC University Grant | 17,995 | 17,995 | 35,990 |
| Federal SEOG | 500 | 500 | 1,000 |
| Federal Pell Grant | 2,960 | 2,960 | 5,920 |
| MASSGrant | 800 | 800 | 1,600 |
| Federal Work-Study Program | 750 | 750 | 1,500 |
| Federal Direct Subsidized Loan | 1,750 | 1,750 | 3,500 |
| Federal Direct Unsubsidized Loan | 1,000 | 1,000 | 2,000 |
| Total | \$25,755 | \$25,755 | \$51,510 |

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 |

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

Federal Direct Student Loans

- Student is the borrower
- No credit check
- Fixed interest rate changes annually
 - 6.39% for 2025-26 (2026-27 rate announced in May)
- Two types
 - Subsidized: Interest accrues after student leaves school
 - Unsubsidized: Interest accrues immediately
- 1.057% fee deducted from loan amount
- Promissory Note & Entrance Counseling: StudentAid.gov
- No payments while in school and several repayment options

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

Calculating the Balance Due

College Charges

- Tuition
- Fees
- Housing
- Food
- Health Insurance

COLLEGE CHARGES

-

FINANCIAL AID & ENROLLMENT DEPOSIT

=

BALANCE DUE

Compare Financial Aid Offers

Use MEFA's **College Cost Calculator** to compare financial aid offers:

- Break down and compare the cost of attendance at each college
- Compare how much free money each school is offering in grants and scholarships
- Calculate net cost for each school



| College Name | School | School | School | School | School |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Annual Costs | | | | | |
| Tuition & Fees | <input type="text"/> |
| Food & Housing | <input type="text"/> |
| Books & Supplies | <input type="text"/> |
| Health Insurance | <input type="text"/> |
| Other Costs | <input type="text"/> |
| Annual Gift Aid | | | | | |
| Federal Pell Grant | <input type="text"/> |
| Federal SEOG | <input type="text"/> |
| State Grant/Scholarships | <input type="text"/> |

Comparing College Cost Calculator Results

- What is the net price at each school?
- Which colleges can your family afford?
- Remember to consider 4+ years of attendance
- Think about potential graduate school
- Limit borrowing
- Select an affordable college that makes financial sense!

Appeals for More Aid

- Share unique circumstances or change in circumstances
 - Drop in income or assets
 - Unreimbursed medical expenses
 - New household expenses
 - Change in family size
- Follow financial aid office guidelines
 - Timing
 - Format
 - School appeal form
 - Student letter
 - Third-party letter
 - Documentation
- Financial aid office will review appeal, make adjustments, and send decision letter

MEFA webinar

What to Know About Financial Aid Appeals



AMY STAFFIER
Simmons University

MARIA MORELLI
Endicott College

ROB LOCONTO
Curry College

SUSAN LANZILLO
Framingham State University

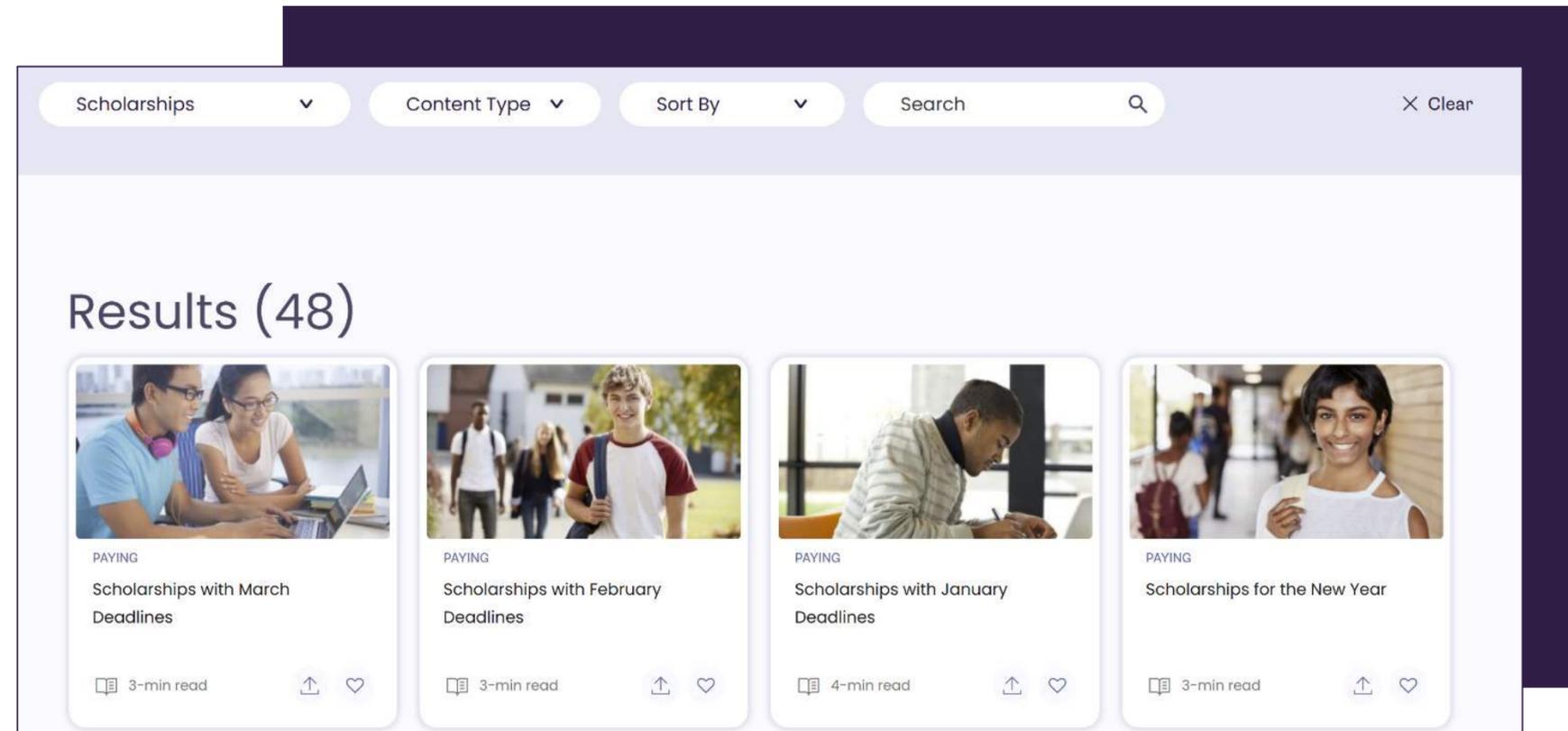
Moderated by:  **STEPHANIE WELLS**
Director of College Relations, MEFA



Methods to Paying the College Bill

Private Scholarships

- Resources
 - School counselors
 - Community organizations
 - Foundations
 - Non-profits
 - Corporations
- Never pay to apply for a scholarship
- Search online:
 - mefa.org articles
 - mefapathway.org
 - CollegeBoard.org
 - Fastweb.com
- Follow MEFA on social media for scholarship alerts



Savings

- 529 college savings plans
- Prepaid tuition plans
- Savings bonds
- Stocks
- CDs
- Student bank accounts
- Other investments
- Contributions from family members

Utilizing Savings from the U.Plan & U.Fund

U.Plan Prepaid Tuition Program

- Log in to your account online at mefa.uplan.org to request a distribution
- Note: If you have not logged in since before 2/17/26, you'll need to register for a new account in the updated U.Plan system
- Questions? Call (888) 590-5653



U.Fund College Investing Plan

- 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



Current Income

- Consider using an interest-free monthly payment plan
- Pay over 5 to 12 months
- No interest charges or credit requirements
- One-time enrollment fee
- Great option to minimize borrowing
- Plans typically begin in May, June, or July
- Contact the college for more information

Borrowing: Be Wise

- 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
 - Responsibility of all borrowers
- Multiple credit inquiries in a short period only count as one inquiry

Attend an upcoming *Comparing College Loan Options* webinar

- Thursday, June 4th @ noon
- Tuesday, July 14th @ 6:30 PM



Understand the Cost of Borrowing

MEFA's Undergraduate Loan Payment Calculator



| | Amount to Borrow | Years Before Graduation | Borrower or Co-Borrower's Credit | Calculate | |
|------------------------------|-------------------------------|-------------------------------|-----------------------------------|------------------------------|---|
| | 15000 | 4 Years | Very Good | | |
| | 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* | \$176.12 for 48 months | \$138.94 for 48 months | \$105.71 for 48 months | \$0.00 for 48 months | \$0.00 for 48 months |
| Post-School Monthly Payment* | \$176.12 for 72 months | \$138.94 for 132 months | \$176.43 for 132 months | \$238.16 for 132 months | \$239.08 for 132 months |
| Total Cost of Loan | \$21,134.40 | \$25,009.20 | \$28,362.84 | \$31,437.12 | \$31,558.56 |
| Interest Rate | 6.99% | 7.29% | 8.34% | 8.54% | 8.59% |
| APR** | 3.29% - 8.64% | 4.09% - 8.74% | 7.24% - 8.89% | 7.44% - 8.84% | 7.49% - 8.89% |

A Pathway to Paying a \$20,000 Balance Due

| | | |
|--------------------------------|--|------------------|
| Balance Due: | | \$20,000 |
| Savings | | |
| | Student Savings | -\$1,000 |
| | Parent Savings | -\$4,000 |
| Current Income | | |
| | Parent Contribution to Payment Plan | -\$5,000 |
| Borrowing College Loans | | |
| | College Loan | -\$10,000 |
| | | \$0 |



What's Next

If You Have Not Applied for Aid



Submit the FAFSA at fafsa.gov
ASAP for federal and state aid



The Massachusetts
financial aid deadline is
May 1st



Federal aid, including Direct
Loans, is available all year



Many college financial aid
deadlines have passed



Payment plans are
open to all



Anyone may apply for
private loans

Timeline

- Pay any enrollment deposit required by the college deadline
- Fall semester bill: sent in June/July, due in July/August
- Apply for educational loans at least 2 weeks before the bill deadline
- Set up payment plans according to the college schedule

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:
 - Formally accept your spot on the waitlist
 - Write a short note to the admissions counselor
 - Update the school with recent grades and awards
 - Keep in touch with the school over social media
 - Watch your email for updates



Resources

Financial Aid Office

| | |
|--|---|
| Learn About Your Financial Aid | <ul style="list-style-type: none">• Financial aid renewability criteria (financial, academic)• Will receiving a private scholarship affect your financial aid? |
| Ask About Special Considerations | <ul style="list-style-type: none">• Changes in family circumstances (Job loss, income changes)• Can you appeal your offer? How? |
| How to Contact the Financial Aid Office | <ul style="list-style-type: none">• Phone call• Email• Chat (if offered) |

MEFA as Your Resource

Sign up for MEFA emails to stay on track



Listen to the MEFA Podcast wherever you get your podcasts



Access MEFA's Resource Center to find articles, videos, calculators, and webinars



Take advantage of one-on-one counseling with the MEFA Team by requesting a virtual appointment



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-  linkedin.com/company/mefa
-  youtube.com/MEFAcounselor
-  mefa.org/mefa-podcast

Thank You!

Questions?



(800) 449-MEFA (6332)



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