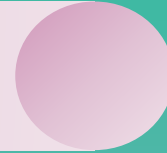


For a copy of this presentation

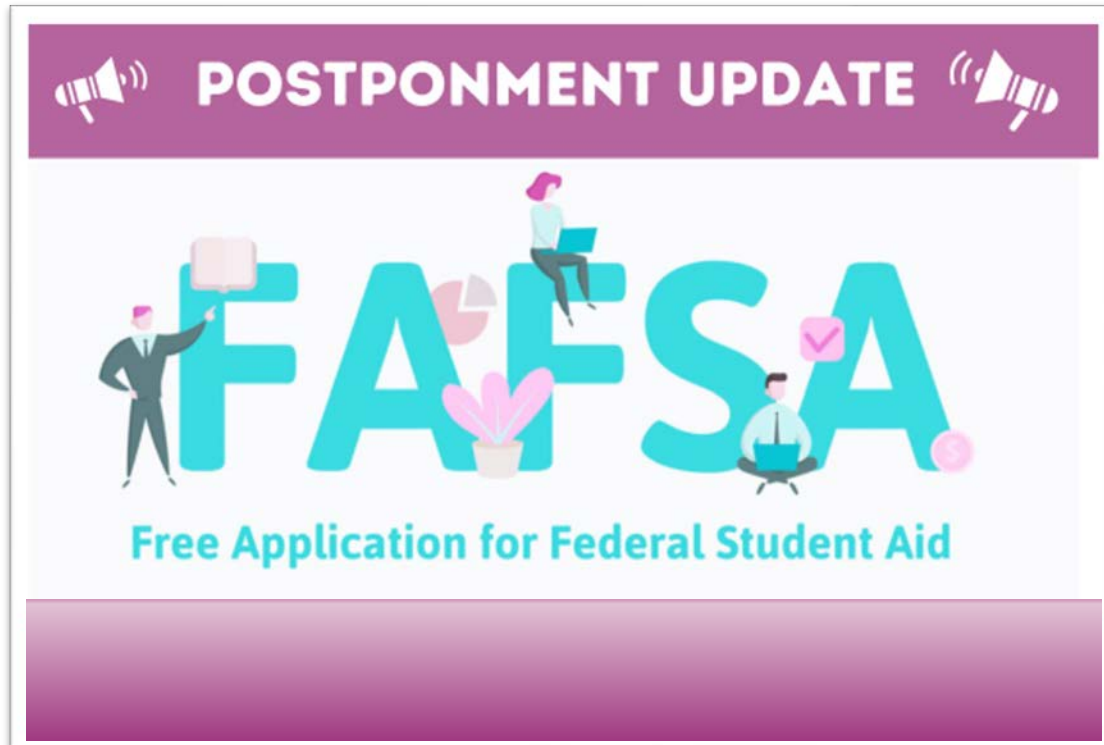
Use your phone to start the download



FINANCIAL AID 101



Before we begin....2 Important Notes



POSTPONMENT UPDATE

FAFSA

Free Application for Federal Student Aid

The graphic features a purple header with two megaphone icons. Below it, the word 'FAFSA' is written in large, light blue letters. Various icons are integrated with the letters: a man in a suit with the 'F', a woman sitting on the 'A', a pie chart on the 'F', a potted plant on the 'A', a man sitting on the 'S', a checkmark on the 'A', and a coin on the 'A'. The text 'Free Application for Federal Student Aid' is written in light blue below the letters. The bottom of the graphic has a purple gradient bar.



We Have Moved

Chapel View Plaza
1000 Chapel View Blvd, Suite 132
Cranston, RI 02920

The graphic shows a yellow moving truck on a black road with white dashed lines. Above the truck, a purple speech bubble says 'We Have' and a green speech bubble says 'Moved'. A location pin icon is next to the text. Below the road, a purple location pin icon is next to the address: 'Chapel View Plaza, 1000 Chapel View Blvd, Suite 132, Cranston, RI 02920'. The truck is carrying boxes and a small tree.

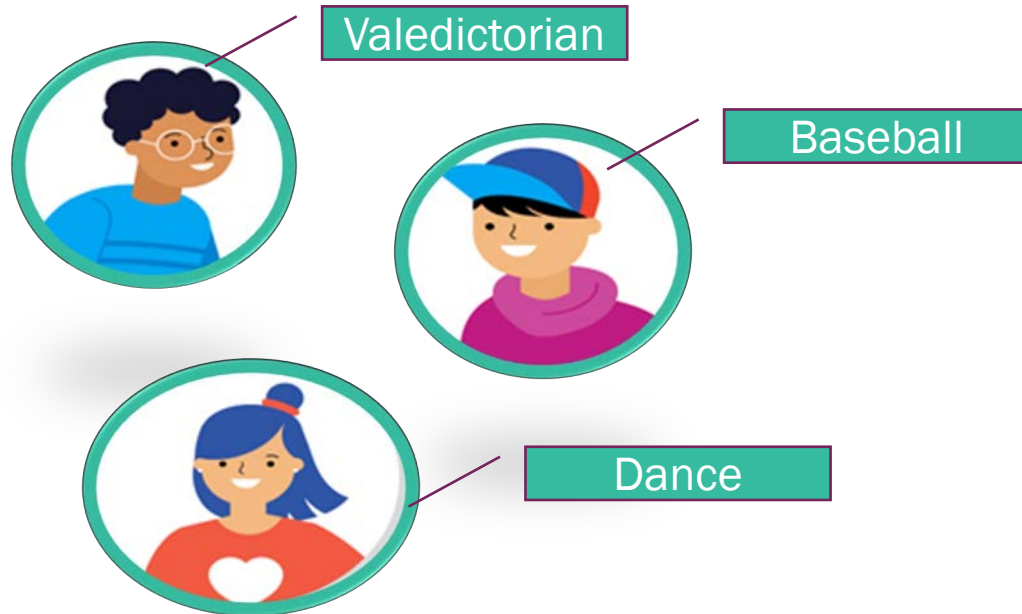
FINANCIAL AID – What it is...

Financial aid: Helps you pay for college and is provided through the federal government, state, school, or a private business or organization.



HOW IS AID AWARDED?

MERIT



NEED BASED



Determined
by COA-SAI

ELIGIBILITY FORMULA

Cost of Attendance
- Student Aid Index

Financial Need



FINANCIAL NEED

EXAMPLE A

COA = \$48,000
SAI - \$ 8,000

Financial Need
= \$40,000

EXAMPLE B

COA = \$38,000
SAI - \$ 8,000

Financial Need
= \$30,000

EXAMPLE C

COA = \$8,000
SAI - \$8,000

Financial Need
= \$

$(COA) - (SAI) = \text{Financial Need}$

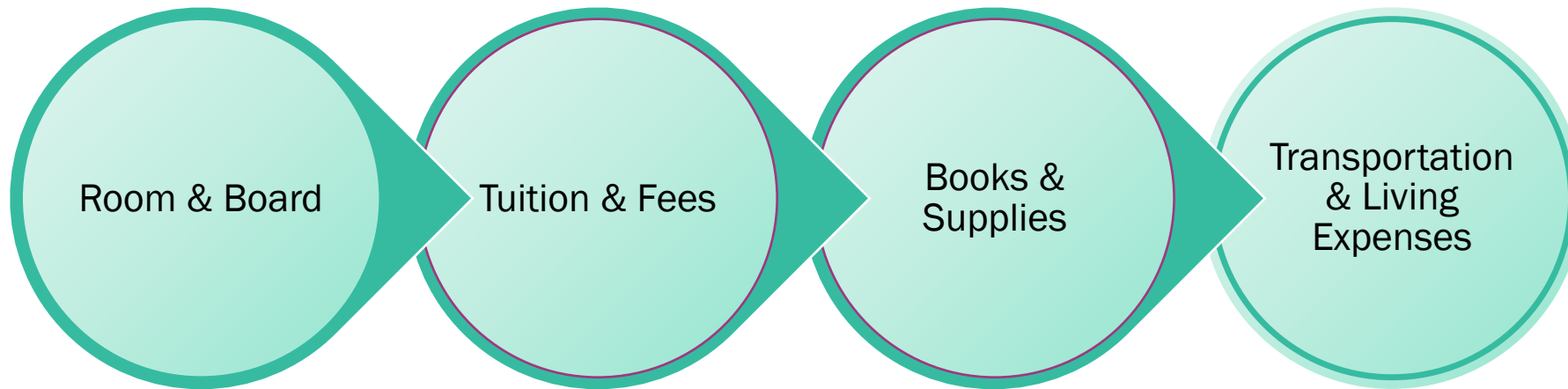
COA
Cost of Education

SAI
Student Aid
Index

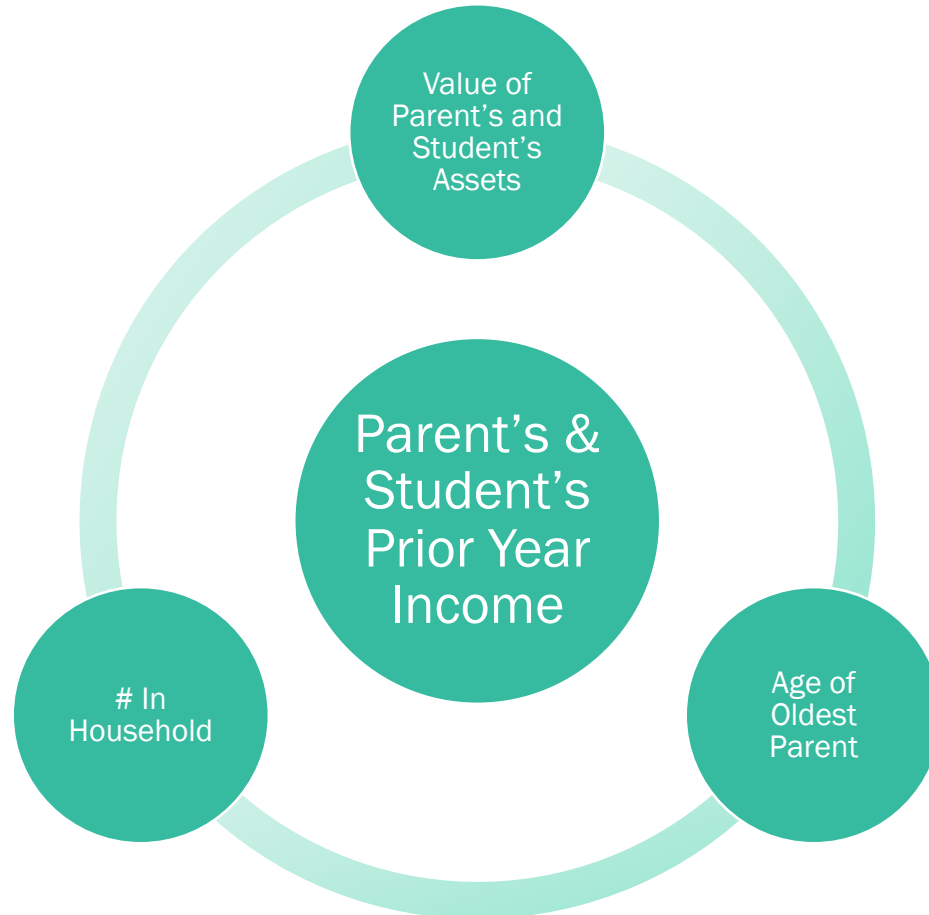
COST OF ATTENDANCE



Cost of Attendance includes direct costs (those on your tuition bill) and indirect costs (such as books and living expenses).



STUDENT AID INDEX



The government determines your SAI when you submit a FAFSA. Many factors affect your SAI, each having a different weight.

Schools are not always able to offer as much financial aid as you may be eligible for, which creates a **GAP**



Types of Aid

There are 4 types of financial aid, broken into two categories



Gift Aid is money that doesn't need to be repaid.

- Grants
- Scholarships



Self-help Aid adopts a self-investment philosophy.

- Loans
- Work-study

Types of Aid

PELL GRANT

Grants for financially needy undergraduates awarded through the college financial aid office.
2023-24 max award: **\$7,395.**

Federal Supplemental Education Opportunity Grant (FSEOG)

For undergraduates pursuing first baccalaureate or professional degrees. Awarded first to students with exceptional financial need.
Priority is given to PELL Grant recipients.
Awards range from \$100 - \$4,000.

Work Study

Work-study jobs may be on or off campus. Employer may be the college, a non-profit community agency, or a profit organization. Provides part-time employment and pay must be at least federal minimum wage and paid on an hourly basis.

Scholarships

- Local scholarships are often easier to get than national scholarships
- Scholarships aren't just for straight-A students. Many are based on need or are awarded to students with certain traits or interests
- You should never pay a service to find you scholarships. They are typically scams!
- Don't narrow your search to just the internet. Ask your guidance counselor, read the local newspapers, and check postings at your local library
- Persist! Your scholarship search can't be completed in a single day
- Start your search at www.RIScholarships.org



Federal Direct Loans

• SUBSIDIZED



- Federal government pays interest while student is in school and in their grace period.
- Awarded to students whose families can prove financial need.

• UNSUBSIDIZED



- Student is responsible for all interest charges accrued while in school.
- Awarded to students whose families cannot prove financial need.

Note: *FAFSA must be submitted in order to be eligible for Federal Direct Loans*

Federal Direct Loans

Annual Limits

Student Type	Subsidized Limit	Subsidized & Unsubsidized Limit
Dependent Undergrad	\$23,000	\$31,000
Independent Undergrad	\$23,000	\$57,500
Graduate Student	\$65,500	\$138,500

Aggregate Limits

Year in School	Annual Limit (Subsidized & Unsubsidized)	Additional Unsub Loan Limit (independent students only)
First Year	\$3,500 Sub + \$2,000 Unsubsidized	\$6,000
Second Year	\$4,500 Sub + \$2,000 Unsubsidized	\$6,000
3rd – Fifth Year	\$5,500 Sub + \$2,000 Unsubsidized	\$7,000
Graduate Students	\$8,500 Unsubsidized	\$12,000

Federal Direct Loans

Loan Type	Borrower Type	2023/24 Rates
Direct Subsidized Loans	Undergraduate	5.50%
Direct Unsubsidized Loans	Undergraduate	5.50%
Direct Unsubsidized Loans	Graduate or Professional	7.05%

*The fee for taking out a Stafford Loan is **1.057%** through 9/30/2024.*

Federal PLUS Loan

- Borrow up to the COA minus financial aid
- Interest rate for 2023/24: 8.05%
- 4.228% fee through 9/30/2023
- Repayment: 10 years (extended options may be available dependent on your balance)
- Can defer principal payment until 6 months after graduation
- Must arrange to pay interest during deferment or it will be added on to loan principal

Parent **L**oan for **U**ndergraduate **S**tudents



Federal PELL

Grants for financially needy undergraduates are awarded through the college financial aid office.
2023-24 max award: **\$7,395.**



Note: *FAFSA must be submitted in order to be eligible for Federal Direct Loans*

State Grants

- Amount awarded depends on the state you live in
- Awards typically available to residents of that state only
- Application procedures vary
- Provides funds to eligible colleges in Rhode Island for distribution to students
- To be eligible for consideration, a student must file a completed FAFSA at studentaid.gov
- Rhode Island Promise – www.ccri.edu/ripromise



State Based Loans

- Offered through non-profit agencies throughout the US
- RI's program is offered through RISLA (visit risla.com for details)
- Typically very competitive interest rates – often fixed
- Make sure you understand the rates, fees, and terms with the state-based lender before you borrow



Award Letter

- Grants & scholarships
- Student loans
- Student employment
- May meet some or all of your financial aid need or eligibility



RIScholarships.org

Knowledge for College
Monthly Scholarship

Private Loans

- Generally in the student's name with a credit-worthy co-signer
- Rates, fees, and terms are dependent on the lender and program so make sure to investigate each program thoroughly
- May be deferred or immediate repayment
- Both variable interest rate, and fixed rates offered



Institutional Aid

- Schools award institutional grants based on financial need
- May use the federal methodology or institutional methodology for determining your financial need
- Amount of grants can vary widely depending upon how much money the school has available
- Some prestigious colleges offer such generous grants so that the financially neediest students can still afford to attend



Merit Based Aid



- Based on academics
- Varies by school
- SAT score tends to be a factor
- Check admissions for their policies
- What do you have to do to keep it?
- What happens if you do not maintain GPA?

College Based Loans

- Some schools have an institutional loan program
- Terms will vary from school to school
- Your financial aid office will let you know if a program is available
- Make sure you understand rates and terms
- You don't have to accept a loan just because it is listed on your financial aid award

STEP 1:

Applying for Financial Aid

- Apply for an FSA ID at: studentaid.gov
- Complete the FAFSA
 - REQUIRED by every school to qualify for federal financial aid
 - Apply online at studentaid.gov ASAP after October 1st
- Complete the CSS PROFILE, if required by your schools of choice, by the school designated deadline.

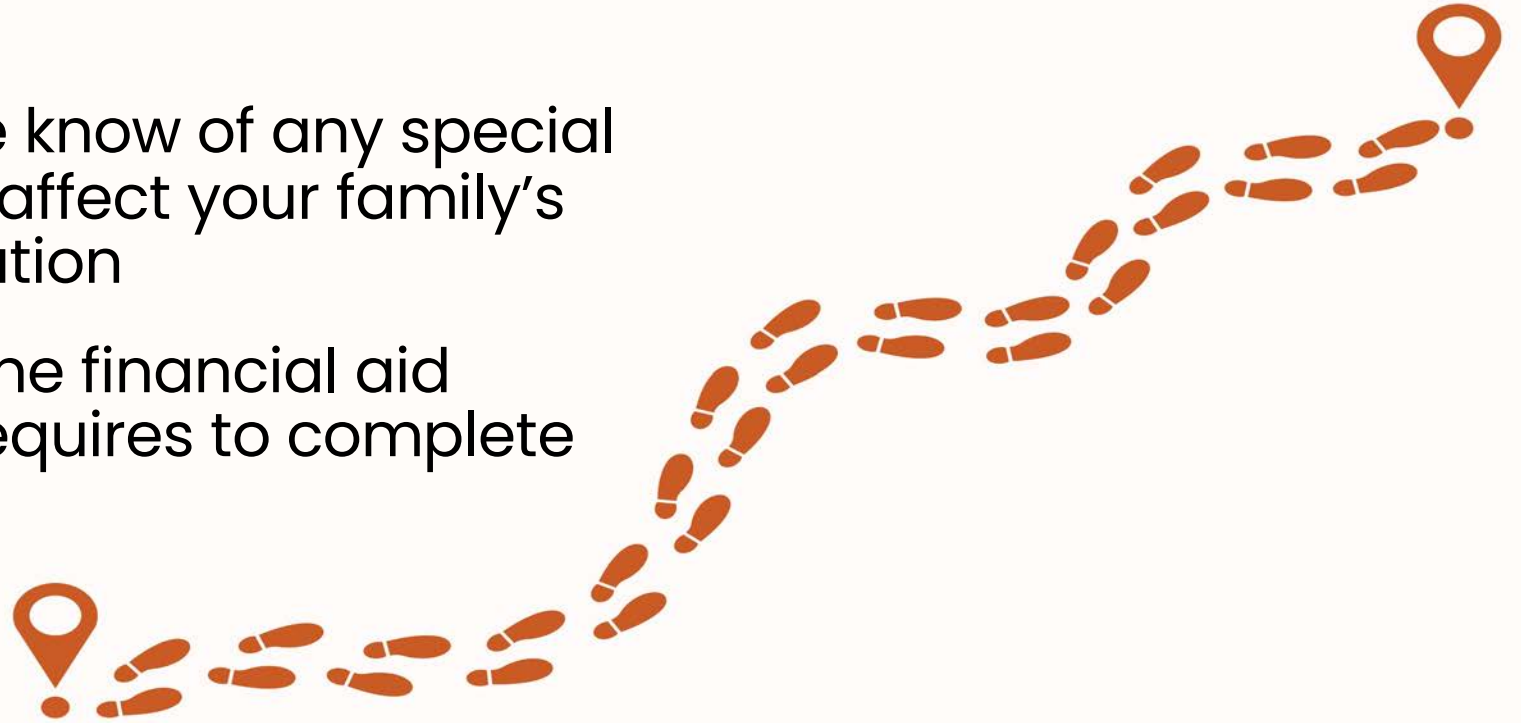


Pay attention to financial aid deadlines at your school

STEP 2:

Applying for Financial Aid

- File any supplemental financial aid forms required by your school
- Let the financial aid office know of any special circumstances that may affect your family's ability to fund your education
- Send in any documents the financial aid office at your school(s) requires to complete your application



STEP 3:

Applying for Financial Aid

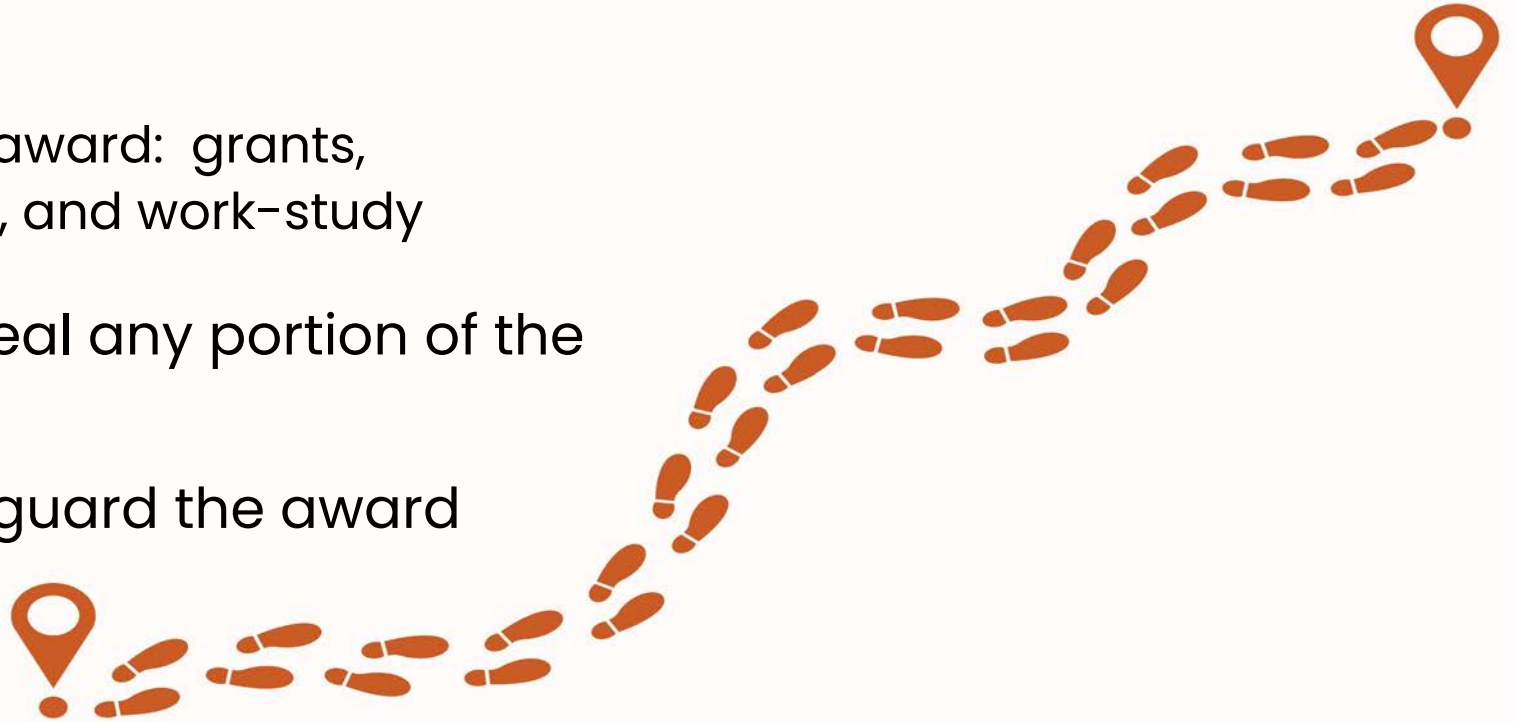
- Review your FAFSA results/Student Aid Index
 - Review all information for accuracy
 - Information can be corrected if necessary
 - Before correcting, contact the financial aid office
- Review CSS PROFILE acknowledgement report, if applicable



STEP 4:

Applying for Financial Aid

- Review Financial Aid Package/Award Letter from school(s)
 - Includes details of award: grants, scholarships, loans, and work-study
- Accept, deny, or appeal any portion of the package
- Acceptance will safeguard the award



Completing the FAFSA

- Read the instructions as you complete the FAFSA
- Fill in all the blanks (“n/a” or “0” when applicable)
- Ask questions when you don’t understand the instructions
- Make it a family event
- Estimating income is OK – you can make corrections after completing your federal tax return
- If you have a loss of income, contact the financial aid office

TIP:

Visit our
FAFSA step-by-
step guide at:

Collegeplanningcenter.org

Do The
FAFSA
THE EARLIER THE BETTER

Parents: Are you thinking about going (back) to college? FAFSA is for you too!

YOU SHOULD KNOW:

- There is no **age-limit for FAFSA** applicants
- There are no **background or credit checks** part of the FAFSA application
- Financial aid is available for **part-time study**
- Financial aid is for some job training, credential, and certificate programs in addition to traditional degree programs. Check with the financial aid office at the institution to be sure.

RESOURCES FOR ADULTS:

Free 1-on-1 advising for adults looking to return to school

- www.gradri.org
- Educational Opportunity Center: ccri.edu/eoc/
- **Contact the financial aid office** at the school to see what help they can offer before filling out the FAFSA.

Financial Aid Packages

Example Cost of Attendance \$35,000

Example SAI \$10,000

Financial Need **\$25,000**

Type of Aid	College 1	College 2	College 3
Grants/Scholarships	\$12,000	\$16,000	\$17,500
Work-Study	\$1,000	\$1,500	\$2,000
Student Loans	\$5,500	\$5,500	\$5,500
Total	\$18,500	\$23,000	\$25,000
Unmet Need/Gap	\$6,500	\$2,000	\$0

Meeting a Student's Needs



Choose your college wisely

- Not all colleges will meet 100% of need
- The RISLA College Planning Center can help you identify good value schools that are a match for your goals

Private colleges generally

- Meet a higher percentage of need
- Award a higher percentage of gift aid

Many students can attend a private college for the same cost as a public university!

7 Reasons to File Your FASFA – Pop Quiz

- 7 Schools use this information to determine additional institutional aid
- 6 Determines eligibility for the Federal Supplemental Education Opportunity Grant
- 5 Determines eligibility for Pell Grant (Up to \$7,395)
- 4 Determines eligibility for Federal Work Study
- 3 Qualifies you for Direct Federal Student Loans (Low rates, No cosigner)
- 2 Prequalification requirement for RI Promise (2-Years Free Tuition)
- 1 Free completion assistance available at the College Planning Center – NO STRESS

Help is available:

College planning and financial aid guidance at the:

College Planning Center of RI

Schedule on-line at

www.collegeplanningcenter.org

Call to schedule an appointment

401-736-3170

For a copy of this presentation

Use your phone to start the download

