

FAFSA & Financial Aid: Landscape & Strategies

**Jackie Palmer | Brooklyn Alpha Lions Club
Kim Nauer | [UnderstandingFAFSA.org](https://www.understandingfafsa.org)
May 3, 2023**

Drop into the chat!

(some or all)

Your high school class year (2023, 2024, 2025, 2026+)

Your high school or organization

Three words re how you feel about paying for college


FAFSA Get the Guide Teach the Guide What do you want to know?

FILLING OUT THE FAFSA ▾ COMPARING COLLEGE OFFERS ▾ FREQUENT QUESTIONS ▾ SPECIAL CIRCUMSTANCES ▾ FOR COLLEGE PROFESSIONALS ▾ MORE HELP ▾

FAFSA and Financial Aid

The How-To Guide for High School Students


AND THE ADULTS WHO HELP THEM




FAFSA AND FINANCIAL AID

What You Need to Know


First in your family to go to college? Filling out the FAFSA on your own? We're here to help you understand the process and get answers to questions you may have.



Filling Out the FAFSA



Comparing College Offers



Frequent Questions

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FAFSA & Financial Aid: Landscape & Strategies

Our Goal for Today: Get a Big Picture & Strategies

- ❑ What is financial aid, really?
- ❑ What kind of financial aid can I get?
- ❑ How do I apply for aid?
- ❑ Why is the FAFSA important & how is it changing?
- ❑ How do I get as much free money as possible?
- ❑ What do I need to know about loans and debt?

This is a lot to take in. A recording of this event and the PPT will be shared later this week. Email me at nauerk@newschool.edu with any questions following this session.



This is an exciting time, but going to college can be expensive. Government programs and college scholarships can make college affordable for you.

This is what we hope for.



This is what we often get.

What is financial aid, really?

BIG PICTURE

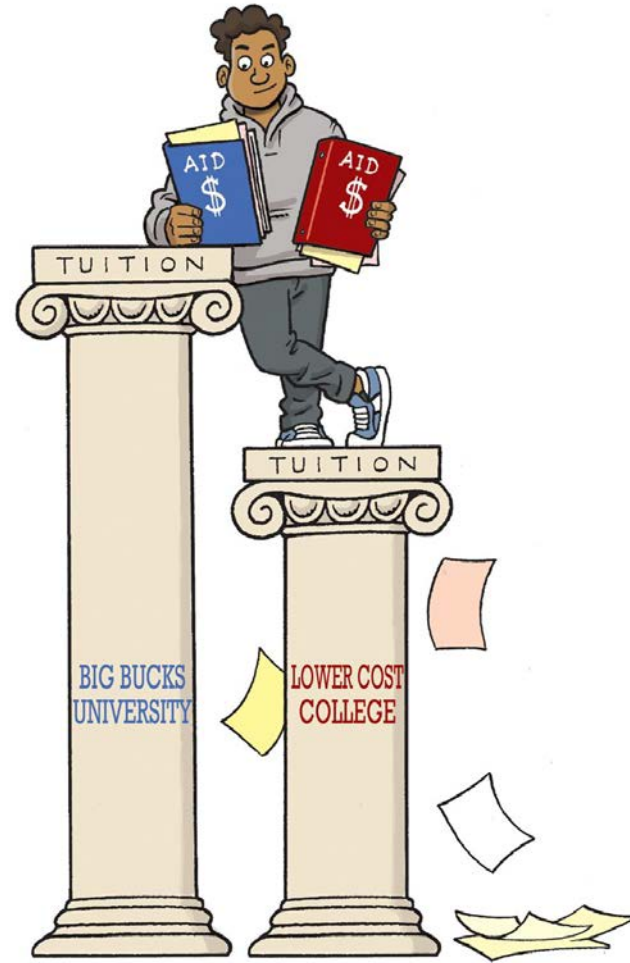
The government provides financial aid is to make college more affordable with a mix of grants and loans.

Admissions officers use aid to shape their classes & recruit students.

Colleges use aid to fill seats, just like the airlines do.

Most families require aid to make college possible at all.

So where do colleges start when they are doling out money? Financial need...



FINANCIAL NEED

Every college has a sticker price: This is the total cost of attendance without any financial help.

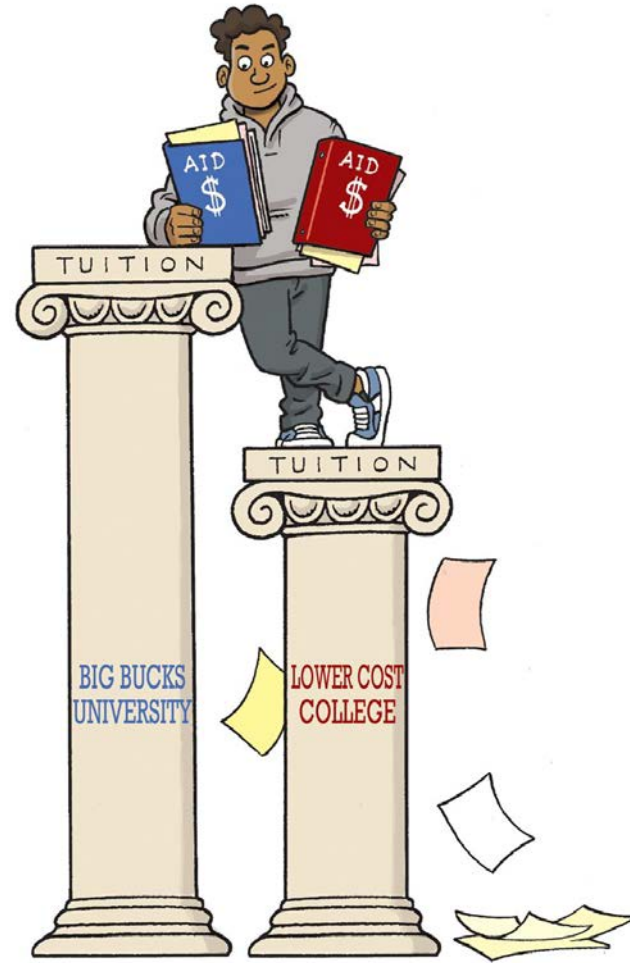
Colleges get a sense of what your family can afford when you fill out the FAFSA and (maybe) CSS Profile.

Colleges use this information to offer you some needs-based aid.

This is a mix of government aid & college aid.

Lower-income families qualify for federal and college grants with low-cost government loans.

Higher-income families qualify for low-cost government loans and college grants.



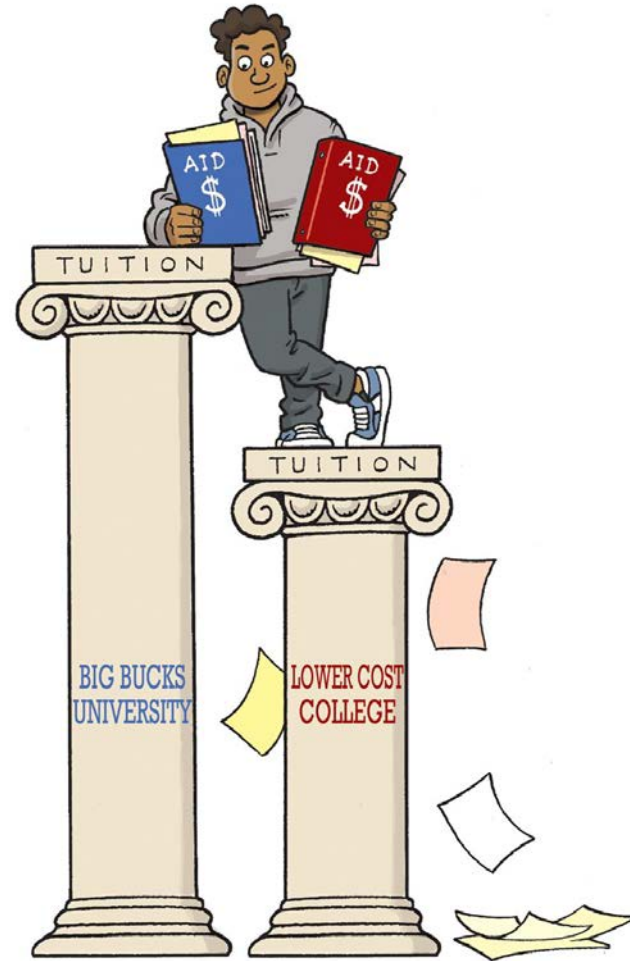
“MERIT” AID

Colleges also offer merit aid and institutional scholarships based on grades, talent & the mix of students they are seeking. It is also a recruitment tool.

Colleges try to figure out what you may be willing to pay.

Using financial aid:

- Private colleges may offer **big discounts** because they are expensive.
- Out-of-state state colleges may offer **substantial discounts** because they are also expensive.
- SUNYs and CUNYs do not offer much merit aid because they are already lower cost.



56% off

The average institutional tuition discount rate was 56.2 percent for first-time, full-time freshmen for the 2022–23 academic year, according to NACUBO's annual survey, which included 341 private, nonprofit institutions.

Think of this as 56 percent off the sticker price.

For financial reasons, it is important to apply to a broad band of schools (privates, out-of-state, in-state). With institutional aid, many schools can compete with the SUNYs on cost.

But always be looking for the best possible fit.

**What kind of financial aid
can I get?**

Types of College Financial Aid

- ❑ **Government Grants (free money)**
- ❑ **College Grants and Scholarships (free money)**
- ❑ **Private Scholarships (free money)**
- ❑ **Government Work-Study (campus employment)**
- ❑ **Government Loans (must be paid back)**
- ❑ **Private Loans (must be paid back)**

Financial Aid 101

Grants & Scholarships

Federal Grants

The two most common are the **Pell Grant** and the **Supplemental Educational Opportunity Grant** (look for “SEOG” on your letter). Both are based on financial need.

State Grants

Many states offer help to students who stay in their home state for college. New York, for example, has the popular **Tuition Assistance Program** (look for “TAP”). Ideally, you put in applications for the state grants when you were filling out your FAFSA form. State programs are often competitive and awarded on a “first come, first served” basis.

College Grants and Private Scholarships

Many colleges offer grants based on merit (such as a high grade point average or strong test scores), financial need or athletic ability. Private groups also offer free money for college, but you have to find it and apply for it. It won't be provided through your aid letter. Look online or talk to a college counselor for more info.

Federal Work-Study

Students with financial need may be offered the opportunity to work on campus. As with any job, you are paid for the number of hours you work. You can use the money any way you want. Your financial aid letter will tell you how much money you can earn under this program, but it is up to you to find a job and work the hours needed to get this money.

UnderstandingFAFSA.org
Look for the Free Money

<https://understandingfafsa.org/comparing-college-offers/#free-money>

Financial Aid 101

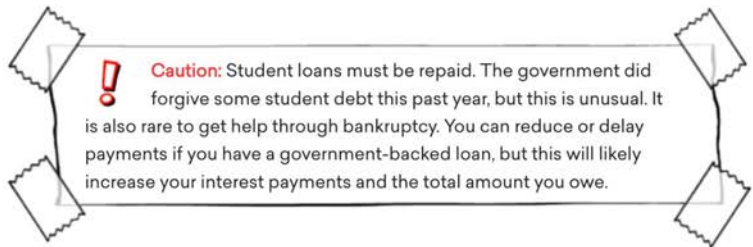
Loans & Debt

Federal Direct “Subsidized” Loans: Subsidized loans are given to college students based on need. The interest costs can be lower than other government loans and you have more time before you need to start paying them back.

Federal Direct “Unsubsidized” Loans: Unsubsidized loans are available to anyone, but your total repayment costs are higher than with the subsidized loan unless you begin paying it back while you are in school.

Parent PLUS Loans: These are government-backed loans that parents can use to help you pay for college. But your parents need to have a good credit rating and interest rates can be high. In theory, parents can borrow as much as you need. But just like you, they should be careful about taking on too much debt.

Private Loans: You can borrow money from banks or other financial institutions, but shop carefully. Fees and interest rates can be high, and you usually need to start paying back the loan while you are still in school.



UnderstandingFAFSA.org

Think About Loans

<https://understandingfafsa.org/comparing-college-offers/#think-about-loans>

Government aid based on your financial need:

- ❑ **Federal Pell grants**
- ❑ **Federal SEOG grants**
- ❑ **Federally-backed loans**
- ❑ **Federal work-study**
- ❑ **NYS TAP & Dream Act TAP**
- ❑ **NYS Excelsior Scholarship**



Max gov't help (for low-income* students)

GOVT GRANTS/year

- Max Pell: \$7,395
- SEOG \$200-400
- Max NYS TAP: \$5,665

GOVT LOANS

- Direct Subsidized
- Direct Unsubsidized

FRESHMAN LOAN MAX: \$5500/yr
(Up to \$3500 subsidized)

Cost of Attendance: living at home
CUNY Queensboro: \$4,800/year
SUNY Stony Brook: \$10,972/year
Hofstra: \$53,310/year

** Ballpark: A family of four earning \$27,000 or less may qualify for maximum Pell and low-cost loans. This threshold will be going up under the New FAFSA aid calculations.*



More gov't & college institutional help

GOVT GRANTS

- NYS Excelsior & Others

GOVT LOANS

- Direct Parent Plus
- Public Service & Teachers & others (can be forgiven)

COLLEGE MERIT & INSTITUTIONAL AID

Remember that 56% discount!

Lookup how much you can expect from a college on its net price calculator.



Federal Pell Grants: Am I Eligible

<https://studentaid.gov/understand-aid/types/grants/pell>

Understanding Student Loan Forgiveness

<https://studentaid.gov/manage-loans/forgiveness-cancellation>

Five Tips for Using a College Net Price Calculator

<https://understandingfafsa.org/five-tips-for-using-a-college-net-price-calculator>

Sticker vs. Net Price: Finding Colleges You Can Afford

<https://understandingfafsa.org/sticker-vs-net-price-finding-colleges-you-can-afford>

How do I apply for aid?

Applying for Aid: The Basics



1. **Find out what forms your schools require and what the deadlines are** for the admission pool you are applying in (normal, early decision, early action, rolling admissions). These deadlines are usually in the fall of the senior year – tho next year will be weird.
2. **Fill out the FAFSA & (if needed) the CSS profile.**
3. **Also be sure to apply for New York State aid** if you are going to a NYS school.
4. **Check your email daily** for confirmation emails and next steps. You may need to file more paperwork or verify information.
5. **Work with your counselor, community group or local library** to identify and apply for good (not scam) scholarships.
6. **Call your college financial aid office(s)** with any questions or concerns.
7. **Did you get accepted?** Your aid package should be delivered via email or snail mail within 1-3 weeks after acceptance.
8. **Be sure to compare your college offers carefully.** (A true skill. We will offer webinars on that.)

Application Links for College \$\$\$



FAFSA (for government and college aid): <https://studentaid.gov/h/apply-for-aid/fafsa>

CSS Profile (for many private colleges): <https://cssprofile.collegeboard.org/>

NYS Tuition Assistance Program (TAP): <https://www.hesc.ny.gov/pay-for-college/apply-for-financial-aid/nys-tap.html>

NYS Excelsior Scholarship and other NYS aid: <https://www.hesc.ny.gov/pay-for-college/financial-aid/types-of-financial-aid/>

NYS DREAM Act (doorway to TAP, Excelsior & other NYS grants): <https://www.hesc.ny.gov/dream>

Private Scholarships: <https://understandingfafsa.org/where-to-start-on-big-scholarship-websites/>

Undocumented Student Help: <https://understandingfafsa.org/grants-and-scholarships-for-undocumented-students/>

Why is the FAFSA important?



What is the FAFSA? Why is it important?

Free Application for Federal Student Aid (FAFSA)

Search engine type in "FAFSA.gov"

<https://studentaid.gov/h/apply-for-aid/fafsa>



Should I Fill Out the FAFSA?

Yes! Almost Everyone Should.

Why? Because it is the gateway to almost all college help including federal aid, state aid, college aid and many private scholarships.

Options for Immigrant Students & Families



Students who are citizens with parents who are undocumented and/or have Individual Taxpayer Identification Numbers (ITINs) may fill out the FAFSA and safely apply for aid.

Undocumented & DACA-mented students are not eligible for federal aid. But you can apply for New York State's TAP, New York State's Excelsior Scholarship, college aid and private scholarships.

FSA: Non-U.S. citizens that qualify for federal student aid: <https://studentaid.gov/understand-aid/eligibility/requirements/non-us-citizens>
NYS DREAM Act FAQs: <https://www.hesc.ny.gov/pay-for-college/financial-aid/types-of-financial-aid/nys-grants-scholarships-awards/nys-dream-act-faq.html>

The DreamUS Scholarship: <https://www.thedream.us/scholarship>

FAFSA & Financial Aid for Undocumented Students <https://understandingfafsa.org/undocumented-students>

FAFSA & Financial Aid for Immigrant Families: <https://understandingfafsa.org/immigrant-families>

How is the FAFSA changing?

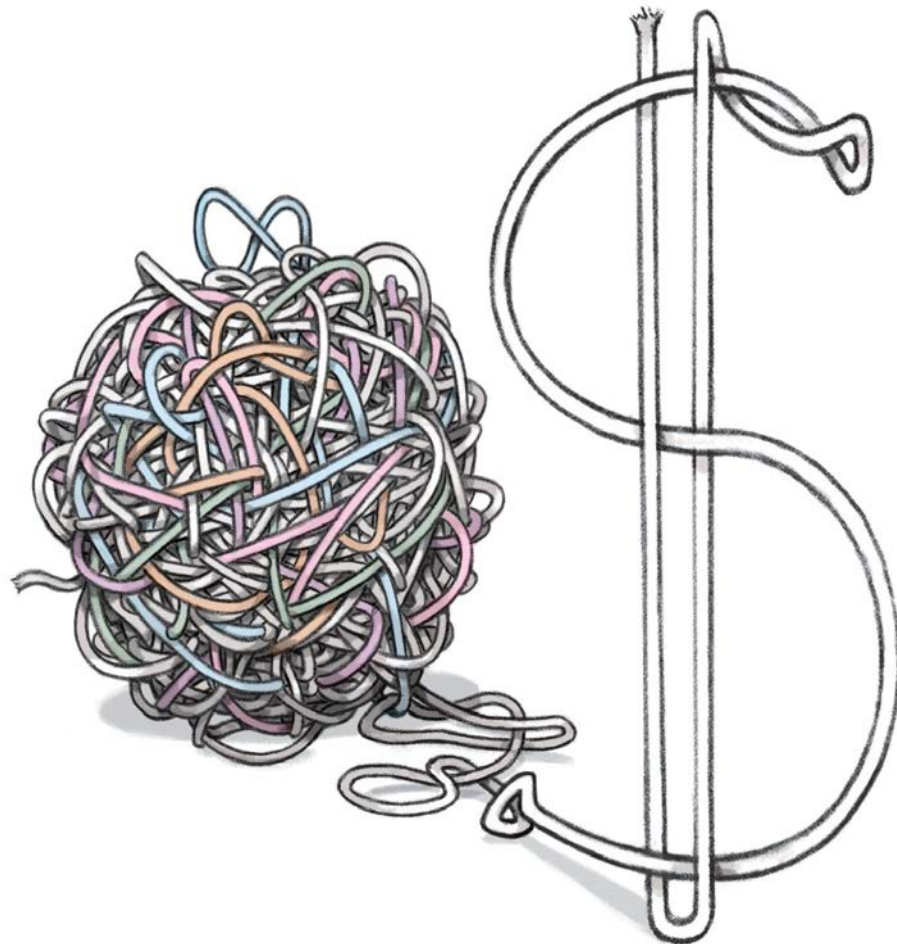
NEW FAFSA GOOD NEWS

Designed to be much faster to use. Most of your financial information will be automatically uploaded by the IRS.

Many more students will get Pell grants & the grants may be larger.

You can include up to 20 colleges (big improvement).

Eventually available in 11 most common languages.



BAD NEWS

This year it will open (late) in December, possibly delaying offers for ED, EA, EOP & NYS

Parents who have 2+ kids in college will get less federal aid than they do now.

Families making \$60,000+ will have to report and value any businesses, side businesses, farms.

Worry about the required IRS data upload for immigrant families & anyone who may not trust the process.



Families of Juniors: Take a Look at Your 2022 Taxes



These are the taxes that were due last month (April 15, 2023).
The FAFSA requires that you share your IRS tax data to process your FAFSA application.

It's important to take a second look at your tax forms now to make sure they were done correctly. If there are inconsistencies or problems, colleges may have to verify your IRS data personally and this could delay your aid.

(More details to come on how the "IRS Direct Data Exchange" will work for various types of families.)

PROFESSIONALS

- ❑ **New Visions CANN training later this month**
- ❑ **Fantastic free uAspire training**
- ❑ **Join NCAN**
- ❑ **Link to NASFAA's FAFSA Simplification Web Center**
- ❑ **Link to FSAs FAFSA Simplification Knowledge Center**
- ❑ **Updates & resources on UnderstandingFAFSA.org**



New Visions CAAN Presents:

Simplified FAFSA Overview and Action Planning

Big changes are coming to the FAFSA. At this session, we will talk about the biggest changes we're expecting and discuss what they mean for juniors, seniors, alumni, and their families. We'll close out with some action planning!

Tuesday, May 16 from 12:30 to 2 on Zoom

Presenters:

Kim Nauer, Project Director of UnderstandingFAFSA.org
Center for NYC Affairs, The New School

Sandy Jimenez, Postsecondary Pathways Resource Manager,
New Visions for Public Schools

Register here: <https://bit.ly/CAANFAFSAUpdates>

Register: <https://workshops.newvisions.org/workshop/-NPx-zJH7p2BAVfFg-yC>

**How do I get as much free
money as possible?**

Be as marketable as possible:

1. Colleges give the most merit aid to students they genuinely want to recruit. Think about what makes you special (!) and make this clear in your application and essays.
2. It is important to pay attention to the “full package” colleges seek: grades, sports, clubs, jobs & community service.
3. Consider colleges that are off the beaten path in your high school.
4. Apply to schools that are truly a “best fit” for your academic skills & passions. Admissions officers will see this and respond approvingly.



Your College Bound Kid (Podcast)

<https://yourcollegeboundkid.com>

Who Gets In and Why: A Year Inside College Admissions (Book)

<https://www.amazon.com/Who-Gets-Why-College-Admissions/dp/1982116293>

The Price You Pay for College: An Entirely New Road Map for the Biggest Financial Decision Your Family Will Ever Make (Book)

<https://www.amazon.com/Price-You-Pay-College-Financial/dp/B081ZHVLXL>

Appeal for more aid. Reasons to try:

1. A change in your family's financial circumstances over the last two years or major bills that the colleges don't know about.

Examples: Job loss, death in the family, big health care bills

2. You have an offer from a competing college that is higher. (Ask super nicely, making it clear that their college is your first choice.)

3. You love a college and simply can't afford to go without more help. Document your family budget carefully and make the pitch.



UnderstandingFAFSA.org

Money Questions? Call Your College Financial Aid Office

<https://understandingfafsa.org/money-questions-call-your-college-financial-aid-office>

What to Do When Your Family's Finances Have Changed

<https://understandingfafsa.org/what-to-do-when-your-familys-finances-have-changed>

Video: Financial Aid Letters & How You Compare

<https://understandingfafsa.org/how-to-read-a-financial-aid-award-letter>

**What do I need to know about
loans and debt?**

Financing college responsibly:

1. Families: Craft your college list with your max 4+ year cost in mind. Create this budget before you start considering or visiting schools.

2. Students: Use an online calculator to estimate how much debt you will be able to afford given your profession and where you will live. Link to our fave =>

3. Families: Stick with gov't loans only. Use caution with gov't Parent Plus and Grad Plus loans. Say no to private loans & credit card debt.

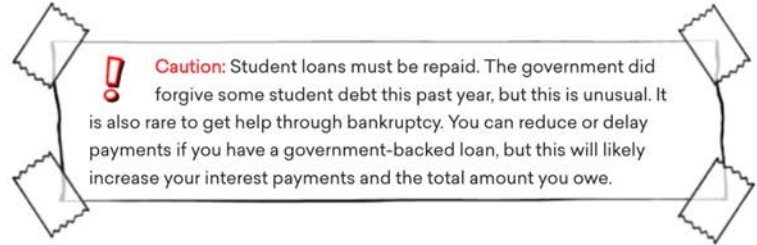
4. Don't get caught up in the status trap. There are wonderful college opportunities in every price range!

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Peterson Foundation's Affordability Calculator
Student Debt Smarter
<https://www.studentdebtsmarter.org>



Q&A

Email anytime:

Kim Nauer | nauerk@newschool.edu

<https://UnderstandingFAFSA.org>