



Financial Aid 101

Presented By:

Gateway Technical College



AGENDA

- What is Financial Aid?
- How Do I Apply?
- What Happens Next?



WHAT IS FINANCIAL AID?





PURPOSE OF FINANCIAL AID

- To assist a student in paying for higher education
- To provide greater access and opportunity for higher education
- To help narrow the gap between what the family can pay and the cost of education



THREE PRIMARY SOURCES

- **US Dept of Education**

- The federal agency that provides grant, work study, and loan funding

- **State**

- Higher Educational Aids Board (HEAB) manages aid for Wisconsin.
- Administers state scholarships, grants, loans, and college savings and prepaid tuition programs.

- **Colleges & Universities**

- May offer their own scholarships, grants, and loan programs
- Availability and eligibility varies **WIDELY** between schools



Types of Financial Aid

- Grants
- Federal Work Study
- Scholarships
- Loans



Grants (FREE)

- Federal
 - Pell Grant
 - Supplemental Educational Opportunity Grant (SEOG)
 - TEACH Grant (**not all schools participate*)
- State
 - WI Grant (WG)
 - WI Tuition Grant (WTG)
- Institutional



Employment

- Federal Work Study Program
- Institutional Work Programs
- Off campus/summer employment

Studies show that students who work part-time while in school also perform better academically



Scholarships

- Colleges/Universities
 - academic, athletic or other talent
- Civic organizations
 - Churches, PTA, Elks, Kiwanis, cultural leagues, etc
- Private businesses
- Parental affiliations
 - Employers & labor unions
- Online scholarship searches (fastweb.com)



Other Resources

- AmeriCorps
- Veteran's benefits and tuition waivers
- ROTC scholarships and/or stipends
- Bureau of Indian Affairs (BIA) Grants
- State Divisions of Vocational Rehabilitation (DVR)
- Health and Human Services loan and scholarship programs



Loans (Paid Back)

- Typically repaid with interest
- Federal Perkins Loan*
- William D Ford Federal Direct Loan Program
 - Subsidized/Unsubsidized options, Sub eligibility based on financial need
- Federal PLUS (for parents)
- State Loans
- Institutional Loans *
- Private/Alternative Loans

**(not available at Gateway Technical College)*



Direct Loans Interest Rates

Student Grade Level	Loan Type	2018-19 Fixed Interest Rate
Undergraduate	Direct Subsidized & Unsubsidized	5.05%
Graduate & Professional Students	Direct Unsubsidized	6.6%
Parents of Dependent Undergrads AND Graduate/Professional Students	Parent or Grad PLUS	7.6%



PLUS Loan

- Program for parents of dependent undergrads as well as grads and professional students (GradPLUS)
- Must pass a basic credit check
- Annual loan limit: COA minus other accepted aid
- 2018/19 fixed interest rate – 7.6%
- Origination fee (2018-19) – 4.248%
- 60 day grace period – “opt-in” to in-school deferment
- Compare to private/alternative loans

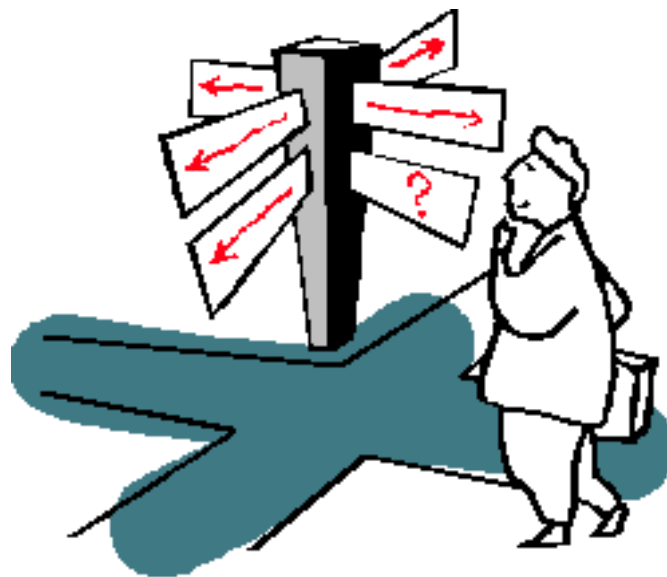


Federal Direct Loan Amounts

- **Annual Loan Limits**
 - Freshmen - \$5,500 (\$3,500 max subsidized)
 - Sophomore - \$6,500 (\$4,500 max subsidized)
 - Junior/Senior - \$7,500 (\$5,500 max subsidized)
 - Grad Student - \$20,500 (Unsub ONLY!)
- **Lifetime Maximums**
 - Dependent Undergrads - \$31,000 (\$23,000 max subsidized)
 - Independent Undergrads - \$57,500 (\$23,000 max subsidized)
 - Grad & Law - \$138,500
 - Med, Vet Med, Pharm, Dentist - \$224,000



HOW DO I APPLY?





Income Information

Have available all income information for the base year.

- If applying for the 2018/19 year, you will need income information for 2016.



Income Documentation

- Copy of Federal Tax return if filed or use the IRS DATA RETRIEVAL TOOL (IRT) in the application
 - 2018/19 (Available October 1, 2017 - using 2016 tax return information).
 - Allows Tax information to be imported into application from the IRS
 - Cannot Use if
 - Married but filed separate returns
 - Filed an Amended Tax Return
 - Both Parents info required but not married
- (see: Who is a Parent?)



Income Documentation(cont'd)

- 2016 W2's/1099-G (Student and Parent)
- Untaxed income
 - Workman's Compensation
 - Child Support Paid/Received
 - Payments to pensions or savings plan
 - Veterans Non-Educational Benefits
 - Other



Income Documentation(cont'd)

- Investments
 - real estate (but not the home you live in), trust funds, UGMA/UTMA accounts, money markets, mutual funds, stocks, bonds, other securities, installment and land sale contracts, etc
 - Qualified educational benefits or education saving accounts such as Coverdell savings accounts, 529 plans.



Dependency Status

- Students:
 - Were you born before 1/1/1995?
 - Are you married?
 - Do you have children who receive more than half their support from you?
 - Are you in the military?
- Parent(s) may still need to provide information even if...
 - You do not live with parents.
 - Parent(s) do not claim you on taxes.
 - Parent(s) do not support you financially



Parent Information

Beginning with the 14/15 FAFSA - Who is considered a parent?

- Two biological or adoptive parents REGARDLESS of marital status OR gender, if those parents live together
 - Both parents information will be included on the FAFSA
- Divorced or Separated parents
 - Will use information for whichever is determined to be the custodial parent or whom the student lived with more in the past 12 months.
- Step-parents

*Adoptive parents DOES NOT include legal guardians, even those that are relatives



FAFSA Process

1. Student and Parent should apply for a Federal Student Aid ID - (FSA ID) at <https://fsaid.ed.gov>
 - Never Share your FSA ID with anyone
2. Complete the **FREE** APPLICATION FOR FEDERAL STUDENT AID (FAFSA)
 - Apply Online at www.fafsa.gov



Need money for college?

Complete the FAFSA® (*Free Application for Federal Student Aid*) form to apply for financial aid for college, career school, or graduate school.

NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

[START HERE >](#)

RETURNING USER?

- Make a correction
- Add a school
- View your *Student Aid Report (SAR)*

[LOG IN >](#)

Due to scheduled site maintenance, FAFSA.gov will be unavailable every Sunday from 3 a.m. to 11 a.m. (Eastern Time). We apologize for any inconvenience this may cause.





FAFSA HELP LIVE

Federal Student Aid | PROUD SPONSOR of the AMERICAN MIND™
An OFFICE of the U.S. DEPARTMENT of EDUCATION

FAFSA™
Free Application for Federal Student Aid



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PIN Site



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FAFSA Help



Trending Questions

- ▶ [What if I forgot my PIN?](#)
- ▶ [I filled out my FAFSA and have decided to transfer/withdraw from college. What should I do?](#)
- ▶ [When will I receive my financial aid?](#)
- ▶ [When I click on the SAR Link, nothing happens. What should I do?](#)

Browse FAQs

General Questions

[Before You Begin](#)

[IRS Data Retrieval Tool](#)

[Making Corrections](#)

[Next Steps](#)

[Contact Us](#)

General Questions

General information about federal student aid, your eligibility for aid, the financial aid package, and more.

- ▶ [What is the FAFSA?](#)
- ▶ [Am I eligible to receive financial aid?](#)
- ▶ [What types of aid are available?](#)
- ▶ [How much financial aid am I eligible to receive?](#)
- ▶ [How do I apply for aid?](#)
- ▶ [Where do I find more information about federal student aid?](#)
- ▶ [Why should I fill out the FAFSA?](#)

Select Contact Us



START HERE
GO FURTHER
FEDERAL STUDENT AID™



FAFSA (cont'd)

After completion of the FAFSA

- Confirmation Page
 - Confirms application has been submitted
 - Lists Estimated Expected Family Contribution (EFC) used to determine Award (next slide).
- Look for an e-mail from Federal Student Aid
 - Within 3-5 business days

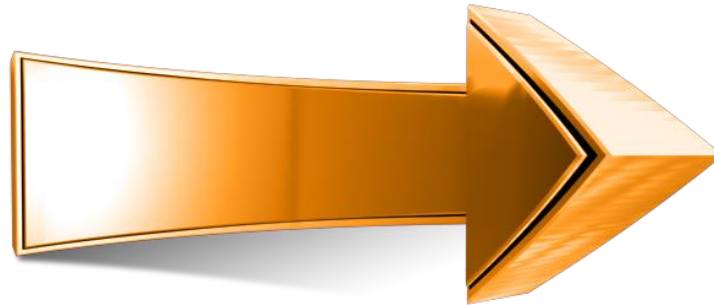


Expected Family Contribution (EFC)

- Determined by filing the Free Application for Federal Student Aid (FAFSA)
- Ways to describe purpose of the EFC
 - An index number used to calculate eligibility for aid
 - Is NOT an estimate of “extra” cash available
 - Is NOT what family will pay to school
 - Stays the same regardless of college/university



WHAT NEXT?






College

- School's Financial Aid Office
 - Import Application and process
 - Verify Eligibility
 - Program Acceptance
 - Citizenship
 - Other
 - Request Additional Information
 - Determine Award



Student and Parent

- Submit all documentation requested
 - IRS Tax Transcript
 - High School Transcript
 - Proof of Child Support Paid/Received
 - W2's
 - Verification of High School Graduation
 - Etc...
- Complete Admissions Process



Awarded – Now What? Student

- Follow instructions for Award
 - Log in to Schools Website
 - View and Accept (if required) Award Offer
- Loans *(do not have to accept or can reduce amount)*
 - Complete the Loan Entrance Counseling*
 - Login to www.studentloans.gov (Complete Counseling)
 - Complete the Subsidized/Unsubsidized Master Promissory Note (MPN) *
 - Login to www.studentloans.gov (Complete MPN)

*Need FSA ID (Username and Password to login)



Awarded – Now What?

Parent

- PLUS loan
 - Complete PLUS Request Process
 - Follow up with School on Application process

Federal Regulations

- **Family Educational Rights and Privacy Act (FERPA)**
(FERPA)-Information cannot and will **NOT** be released to you regarding your child's information without written consent on file
- Documentation must be completed and signed by the student



Remember

- Submit all documents requested by the Financial Aid Office as soon as possible.
- Complete process by deadlines.
 - Check with your school of choice.
- Set a budget.
- Monitor your loan debt.
- Stay in contact with your school's Financial Aid Office.
- Apply every year!



Websites

- www.studentaid.gov
 - Helpful information on Financial Aid
- www.fsaaid.ed.gov
 - Apply for Federal Student Aid ID (FSA ID)
- www.fafsa.gov
 - Complete **FREE** Financial Aid application
- www.studentloans.gov
 - Helpful information on Financial Aid
 - Complete Loan Entrance Counseling and MPN



College Goal Wisconsin

- Receive FREE & Professional on-site assistance completing the FAFSA
- Attend an event and you may win a scholarship



Dates



Gateway Technical College

- **Kenosha** - 3520 30th Avenue
Monday, October 29th @ 6PM
Student Commons
- **Racine** - 1001 S. Main St
Wednesday, October 3rd @ 6PM
Racine Building - Conference Center

Badger High School

- **Lake Geneva** - 220 E. South Street
- Wednesday, October 17th @ 6PM
Park in Wells St. Lot – Enter at Door I (Commons)



College Goal WI

For More Locations and Dates visit:
collegegoalwi.org





THANK YOU!

Justin Kehring

Gateway Technical College