



Financial Aid 101

Vines High School

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Where Do We Begin?

- Begin the college process early
- Meet deadlines
- Ask questions

Types of Financial Aid



- ❖ **Merit-based** – awarded based on individual achievements
 - Scholarships

- ❖ **Need-based** – awarded to students based on eligibility and demonstrated need
 - Grants – Institutional, State and Federal.
 - Low interest student loans - Federal Perkins and Stafford
 - Work programs - Federal Work Study and Texas Work Study

- ❖ **Non Need-based** – awarded to students to help meet Expected Family Contribution
 - Low interest student loans - Unsubsidized Stafford
 - Work programs - Student Employment
 - Parent PLUS Loans



Sources of Financial Aid

- **Federal Government** – PELL Grant, SEOG Grant, ACG Grant, National SMART Grant, Federal Work-Study, Federal Perkins Loan, Federal Stafford Loan, Federal PLUS Loan
- **State** – TEXAS Grant, TPEG, TEG, B-On-Time Loan and many others
- **Institution** – Scholarships, grants, loans, fellowships.
- **Independent sources** – Scholarships and awards from high school, church, places of employment, etc.



Who Is Eligible?

- U. S. citizen, national, permanent resident or other eligible non-citizen;
- Be enrolled or accepted for enrollment as a regular student in a degree or certificate program;
- Have a high school diploma or its recognized equivalent (most commonly, a GED).



How do I get started?

❖ Complete the FAFSA

❖ (FREE APPLICATION FOR FEDERAL STUDENT AID)

- on-line at www.fafsa.ed.gov
 - Use the FAFSA on the Web Worksheet for ease in completing the FAFSA on-line
- PIN website www.pin.ed.gov (both student and parent will need a PIN)
- complete after January 1 of the senior year of high school
- must file FAFSA annually in the spring



What is EFC?

- Expected Family Contribution:
 - It is a measure (or “snapshot”) of a family’s financial strength at the time the FAFSA is completed. It gives an indication of how much of the student’s and parents’ financial resources should be available to help pay for college.
 - The EFC is calculated according to a formula established by federal law.



What makes up the EFC ?

COMPONENTS INCLUDE (but not limited to):

- Student Adjusted Gross Income
- Student Savings and Assets
- Parent Adjusted Gross Income
- Parent Savings and Assets
- Number in Household
- Number in Family
- Number in college (cannot include a parent in college)


$$\text{COA} - \text{EFC} = \text{NEED}$$

❖ **Cost of Attendance (COA):**

Tuition, fees, room, board, books and supplies, personal expense and transportation allowances.

❖ **Expected Family Contribution (EFC):**

The portion a student & his/her family is expected to contribute towards a college education; determined by completing the FAFSA.

❖ **Need:**

The difference between a student's Expected Family Contribution (EFC) and the Cost of Attendance (COA).

Financial Aid Example

- Example with different types of aid:
- COA – EFC = Need
\$15,000 (COA at ABC University) - **\$3,000** (EFC) = **\$12,000**

Sample Aid Package:

Scholarship		\$ 4,000
PELL Grant	\$ 1,100	
TEXAS Grant	\$ 3,000	
Federal Work-Study	\$ 1,600	
Booster Club Scholarship	\$ 1,000	
Federal Perkins Loan	<u>\$ 1,300</u>	
Total Need-Based Aid		\$12,000
Federal PLUS Loan	<u>\$ 3,000</u>	
Total Aid	\$15,000	



Free Scholarship Search

- www.schoolsoup.com
- www.fastweb.com
- www.collegeanswer.com
- www.nelnet.net/collegeplanning
- www.collegeboard.com



Helpful Resources

- ❖ Texas Higher Education Coordinating Board
 - <http://www.collegefortexans.com>
- ❖ TACAC Hotline – Texas Assoc. for College Admission Counseling
 - <http://www.asktacac.com>
- ❖ Federal Student Aid Website
 - <http://www.ed.gov/studentaid>



Helpful Resources

- ❖ College Board

- <http://www.collegeboard.com>

- ❖ College Answer

- <http://www.collegeanswer.com>

- ❖ Nelnet College Planning

- <http://www.nelnet.net/collegeplanning>