

# Funding a College Education

Financial Aid 2011-2012

*Financial Aid Information Night  
January 25, 2011*

*Maria Graciano*



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# Cost of Attendance (COA)

UW Colleges COA for full-time student living with parents  
(2010-2011 budget)

Item	Cost
Tuition/Fees	\$4,580
Books and Supplies	\$950
Room	\$0 (\$4,760 if living on own)
Board	\$2,570
Miscellaneous	\$1,690
Transportation	\$2,640
<b>TOTAL</b>	<b>\$12,430 (\$17,190 if living on own)</b>



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# Topics

- **What is financial aid**
- **Cost of attendance (COA)**
- **Expected Family Contribution (EFC)**
- **What is financial need**
- **Types of aid**
- **Free Application for Federal Student Aid (FAFSA)**
- **After you file the FAFSA**
- **Special circumstances**



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# Financial Aid

- **To the extent they are able the student and his or her family has the primary responsibility to pay for education.**
- **Financial aid provides opportunity and access to higher education.**
- **Financial aid helps to bridge the gap between what the family can pay and the cost of education.**



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# Expected Family Contribution (EFC)

**The amount a family can reasonably be expected to contribute to a student's educational expenses.**

**Parent Contribution + Student Contribution = EFC**

- **Income**
- **Assets**
- **Family Size**
- **Number in College**
- **Age of the older parent**



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# Financial Need

$$\begin{aligned} & \text{Cost of Attendance (COA)} \\ & - \text{Expected Family Contribution (EFC)} \\ & \hline & = \text{Financial Need} \end{aligned}$$

- Need will vary based on the cost of different colleges
- Your **Financial Need** determines how much aid you may receive



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# Types of Aid

- **Scholarships**
- **Grants**
- **Loans**
- **Employment**



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# Scholarships

- **Money that does not have to be paid back**
- **Awarded on the basis of merit, skill, or unique characteristic**
- **Never pay for scholarship search!**  
Check [www.bbb.com](http://www.bbb.com)

# Scholarships

**Begin researching early! Small Scholarships add up!**

- Foundations
- Businesses
- Employers
- Charitable organizations
- Civic organizations and Churches
- Free scholarship web search sites



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# Most Common Grants

- **Money that does not have to be paid back**
- **Awarded based on Financial Need**

## **Federal**

- Pell Grant
- Federal Supplemental Educational Opportunity Grant (SEOG)

## **State**

- Wisconsin Higher Education Grant (WHEG)



# Additional Grants

## Federal

- ACG/SMART Grant
- TEACH Grant (Accept with Caution)

## State <http://heab.state.wi.us/>

- Hearing or Visually Handicapped State Grant
- Indian Student Assistance Grant
- Minority Retention Grant
- Academic Excellence Scholarship
- Talent Incentive Program (TIP) Grant <http://dpi.state.wi.us/weop/>
- GEAR-UP Grant



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# Student Loans

- **FAFSA is only application**
- **Will have to complete Loan Entrance Counseling and a Master Promissory Note**
- **Not based on your credit**
- **Repayment begins after you are no longer enrolled at least half-time**



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# Federal Student Loans

Subsidized Loan	Unsubsidized Loan
Need-Based	NOT Need-Based
No interest while enrolled	Interest accrues from disbursement
Freshman can borrow up to \$3,500	Freshman can borrow up to \$5,500 minus amount of Sub loan received
Sophomores can borrow up to \$4,500	Sophomores can borrow up to \$6,500 minus amount of Sub loan received
	Independent Students Can borrow additional up to \$9,500/\$10,500 minus amount of Sub loan received
2011-2012 Interest Rate: 3.4%	2011-2012 Interest Rate: 6.8%



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# PLUS Loan

## Parent Loan for Undergraduate Students (PLUS)

- Loan parent borrows to assist with educational costs
- Need to complete FAFSA
- Need to complete PLUS application and Master Promissory Note
- Eligibility determined upon credit check
- Option to add a co-signer
- Maximum amount to borrow is Cost of Attendance minus all other aid
- 2011-2012 interest rate: 7.9%
- Repayment begins after loan is disbursed, but can apply for deferment



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# Loan Comparison

## 2011-2012

	Federal Perkins Loan*	Direct Stafford Loan (Subsidized & UnSubsidized)	Direct PLUS Loan	Private Alternative Loan
<b>Borrower</b>	Student	Student	Parent	Student
<b>Cosigner</b>	None	None	Only if declined credit	Probable
<b>Credit Check</b>	No	No	Yes	Yes
<b>FAFSA required</b>	Yes	Yes	Yes	Recommended
<b>Interest Rate</b>	5% Fixed	3.4% Fixed Subsidized 6.8% Fixed Unsubsidized	7.9% Fixed	Variable (Determined by lender based on credit check)
<b>Fees</b>	None	.5% (Includes .5% rebate** for making first payments on time)	2.5% (1.5% rebate**)	Variable
<b>Annual Loan Limits</b>	Determined by school based on need and available funds	Freshman - \$5,500 (up to \$3,500 sub) Sophomore - \$6,500 (up to \$4,500 sub) Junior/Senior - \$7,500 (up to \$5,500 sub) Graduate - \$20,500 (up to \$8,500 sub) <b>Full amount can be unsubsidized</b>	Cost of Attendance less Aid	Cost of Attendance less Aid
<b>Repayment</b>	9 months after leaving school or dropping below ½ time	6 months after leaving school or dropping below ½ time	60 days after fully disbursed (Upon request, may delay payments until after student graduates)	Check with lender
<b>Borrower Benefits</b>	Not applicable	.25% interest rate reduction for auto pay	Not applicable	Check with lender

# Employment

## Federal Work Study

- Need-Based Aid
- Earned throughout the year
- Allows work on campus
  - Flexibility, Experience, Connection
- Does not count as income on next FAFSA



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# FAFSA

## Free Application for Federal Student Aid

[www.fafsa.gov](http://www.fafsa.gov)



START HERE  
GO FURTHER  
FEDERAL STUDENT AID

FAFSA  
Free Application for Federal Student Aid

[FAFSA Home](#) [Student Aid on the Web](#) [Application Deadlines](#) [PIN Site](#) [Help](#) [Contact Us](#) [FAQs](#) [Site Map](#) [About Us](#)

1 Before Beginning a FAFSA

2 Filling Out a FAFSA

3 FAFSA Follow-Up

### Special Announcements

[Updated information available for the new TEACH grant.](#)

Looking for an early start on the financial aid process?



You can use FAFSA4caster to learn about the financial aid process and get an early estimate of your eligibility for federal student aid.

[Link to FAFSA4caster](#)

[English](#) | [Español](#)

## Federal Student Aid FAFSA

We have simplified the process of filling out the FAFSA. You can follow each section all of the way through for a comprehensive set of instructions.

### Before Beginning a FAFSA

Get organized! To simplify the application process, gather required documents and other information ahead of time.

- [Determine Your Dependency Status](#)
- [FAFSA on the Web Worksheet](#)
- [Search for School Codes](#)
- [Students & Parents Apply For a PIN](#)
- [Check Application Deadline Dates](#)

### Filling Out a FAFSA

Fill out the application! The FAFSA contains questions that ask about you, your financial information, your school plans, and more.

- [Fill Out Your FAFSA](#)
- [Open Your Saved FAFSA or Correction Application](#)
- [Sign Electronically With Your PIN](#)

### FAFSA Follow-Up

View your results online! You can check the status of your application, make corrections to a processed FAFSA, and get other information.

- [Check Status of a Submitted FAFSA or Print Signature Page](#)
- [Make Corrections to a Processed FAFSA](#)
- [Add or Delete a School Code](#)
- [View and Print Your Student Aid Report](#)

# FAFSA on the Web

Complete the  
**FAFSA on the  
 Web Worksheet**  
 before you go to  
 the computer to  
 make entering  
 your info easier



**2011 – 2012**  
**FAFSA ON THE WEB WORKSHEET**  
[www.fafsa.gov](http://www.fafsa.gov)



**DO NOT MAIL THIS WORKSHEET.**

This FAFSA on the Web Worksheet provides a preview of the questions that you may be asked while completing the *Free Application for Federal Student Aid* (FAFSA) online at [www.fafsa.gov](http://www.fafsa.gov).

You must complete and submit a FAFSA to apply for federal student aid and for most state and college aid. Write down notes to help you easily complete your FAFSA anytime after January 1, 2011.

See the table to the right for state deadlines. Your application must be submitted by midnight Central time. Also pay attention to the symbols that may be listed after your state deadline. Check with your high school counselor or your college's financial aid administrator about other deadlines. The Federal deadline is June 30, 2012.

- This Worksheet is optional and should only be completed if you plan to use FAFSA on the Web.
- Sections in purple are for parent information.
- This Worksheet does not include all the questions from the FAFSA. The questions that are included are ordered as they appear on FAFSA on the Web. When you are online you may be able to skip some questions based on your answers to earlier questions.

**Applying is easier with the new IRS Data Retrieval tool!**  
 Beginning January 30, 2011 students and parents who have completed their 2010 IRS tax return will be able to use FAFSA on the Web to view the tax information needed to complete the FAFSA. There will also be an option to securely transfer the tax information into the FAFSA.

**Sign your FAFSA with a Federal Student Aid PIN!**  
 If you do not have a PIN, you can apply for one at [www.pin.ed.gov](http://www.pin.ed.gov). Your PIN allows you to electronically sign when you submit your FAFSA. If you are providing parent information, one parent must also sign your FAFSA. To sign electronically, your parent should also apply for a PIN.

**APPLICATION DEADLINES**  
 Federal Deadline - June 30, 2012  
 State Aid Deadlines - See below.

Check with your financial aid administrator for these states and territories:

AL, AS \*, AZ, CO, FM \*, GA, GU \*, HI \*, MH \*, MP \*, NC, NE, NM, NV \*, PR, PW \*, SD \*, TX, UT, VA \*, VI \*, VT \*, WA, WI and WY \*.

**Pay attention to the symbols that may be listed after your state deadline.**

AK	AK Education Grant - April 15, 2011 (date received)
	AK Performance Scholarship - June 30, 2011 (date received)
AR	Academic Challenge - June 1, 2011 (date received)
	Workforce Grant - Contact the financial aid office.
	Higher Education Opportunity Grant - June 1, 2011 (date received)
CA	Initial awards - March 2, 2011 + *
	Additional community college awards - September 2, 2011 (date postmarked) + *
CT	February 15, 2011 (date received) # *
DC	June 30, 2011 (date received by state) # *
DE	April 15, 2011 (date received)
FL	May 15, 2011 (date processed)
IA	July 1, 2011 (date received); earlier priority deadlines may exist for certain programs.
ID	Opportunity Grant - March 1, 2011 (date received) # *
IL	As soon as possible after January 1, 2011. Awards made until funds are depleted.
IN	March 10, 2011 (date received)
KS	April 1, 2011 (date received) # *
KY	As soon as possible after January 1, 2011. Awards made until funds are depleted.
LA	June 30, 2012 (July 1, 2011 recommended)
MA	May 1, 2011 (date received) #
MD	March 1, 2011 (date received)
ME	May 1, 2011
MI	March 1, 2011 (date received)
MN	30 days after term starts (date received)
MO	April 1, 2011 (date received) #
MS	MTAG and MESA Grants - September 15, 2011 (date received)
	HELP Scholarship - March 31, 2011 (date received)
MT	March 1, 2011 (date received) #
ND	March 15, 2011 (date received) #
NH	May 1, 2011 (date received)
NJ	2010-2011 Tuition Aid Grant recipients - June 1, 2011 (date received)
	All other applicants
	- October 1, 2011, fall & spring terms (date received)
	- March 1, 2012, spring term only (date received)
NY	June 30, 2011 (date received) + *
OH	October 1, 2011 (date received)
OK	March 15, 2011

STATE AID DEADLINES



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# Application Process

- Apply for PIN from Department of Education
- Submit the Free Application for Federal Student Aid (FAFSA)
- Finalize school admission
- Submit any materials your institution requires (verification worksheets, taxes)
- Make sure to meet all deadlines and reply to requests for information as soon as possible



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# Personal Identification Number (PIN)

- Each student and ONE of their parents needs a PIN  
(If student is independent parent does not need PIN)
- It is your electronic signature  
**DO NOT share your PIN with ANYONE**
- You will use it later to sign loan documents, complete loan counseling, and access information about your loans

[www.pin.ed.gov](http://www.pin.ed.gov)

# Student Information

## General information

- Name
- Birth date
- Social security number
- Citizenship status
- Selective Service Registration
- Drug convictions



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# Dependency Status

46	Born before January 1, 1988 (Age 24)
47	Married
48	Graduate Student
49	Active Duty
50	Veteran
51	Children who receive more than half of their support from you
52	Other dependents

# Dependency Status

53	Both parents deceased, in foster care, dependent or ward of the court	At any time since turning 13
54	Emancipated minor in your state of legal residence	Immediately before turning 18
55	In legal guardianship in state of legal residence	Immediately before turning 18
56-58	Determined to be a homeless unaccompanied youth	School district, emergency shelter

# Dependency Overrides

## **Unacceptable circumstances**

- Do not live with parents
- Parents do not provide financial support

## **Acceptable circumstances**

- Estrangement due to abuse/dysfunction
- Student who was independent due to marriage and is now divorced



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# Parents

- Two biological parents married to each other
- Divorced or separated parents (see below)
- Legal adoptive parent

## **Divorced Parents**

Over the past 12 months

- Parent lived with more
- Parent who provided more financial support

If parent is remarried include the spouse information

# Tax Information

## Parents and students enter information about their 2010 taxes for the 2011-2012 application

You can use the IRS Data Match 10 - 14 days after you have filed your taxes.



### GetMy Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.

Enter the following information as it appears on your <2008> Federal Income Tax Return. ?

Required fields \*

First Name *	<input type="text" value="Joe"/>
Last Name *	<input type="text" value="Smith"/>
Social Security Number *	<input type="text" value="***-**-6789"/>
Date of Birth *	<input type="text" value="01"/> / <input type="text" value="04"/> / <input type="text" value="1990"/>
Address * ? P.O. Box and/or Street Address	<input type="text"/>
	<input type="text"/>
Apt. Number (Required if it appears on your tax return)	<input type="text"/>
Country *	<input type="text" value="United States"/>
City, Town or Post Office *	<input type="text"/>
State/U.S. Territory *	<input type="text" value="Select One"/>
ZIP Code *	<input type="text"/>
Filing Status *	<input type="text" value="Select One"/>

By submitting this information, you certify that you are the person identified. Use of this system to access another person's information may result in civil and criminal penalties.

# Assets and Investments

- Use the value as of the date you sign FAFSA
- Does not include the home you live in (if duplex include the value of other half)
- Current Value – Debt = Net Worth
- Do not include value of Family Farm (that you live on)
- Do not include Business worth if less than 100 employees
- Asset protection allowance based on age of older parent

Age	Two Parents	One Parent
45	\$48,700	\$19,900
65	\$84,000	\$32,800

# Household Size

## Dependent Student

- **Student**
- **Student's parent** and parent's spouse if married
- **Parent's other children** if the parent will provide more than half of their support between July 1 and June 30 of upcoming academic year
- **Other people** that *parent* is supporting



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# Household Size

## Independent Student

- **Student**
- **Student's spouse**
- **Student's children** if the student will provide more than half of their support between July 1 and June 30 of upcoming academic year
- **Other people** that *student* is supporting



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# Household Size

## Do not include

- Boyfriends/Girlfriends/Fiancées
- Children that are not supported 51% or more by student for independent students
- Siblings who are in college that would be considered independent if they did their own FAFSA for dependent students

Note: Don't list child support paid for children in your household

# Number in College

- Attending college between July 1 and June 30 of upcoming academic year
- At least half time (6 credits)
- In a degree or certificate program
- Title IV aid eligible school
- Do not include parents

# Finish the FAFSA

- **Add school codes**
  - Can add up to 10 schools
  - Authorization to release information to school
- **Student and one parent signature**
  - PIN electronic signature
  - OR
  - print signature page and mail

# Common FAFSA Errors

- **Missing Signatures/PIN**
- **Wrong Social Security Number**
- **Not using legal name**
- **Parents/Stepparent Information**
- **Taxes paid (tax liability to IRS)**
- **Household size**
- **Number in college**



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# FAFSA Deadlines

- May be completed as soon as January 1, 2011
- Colleges may have a priority date – **UW Colleges priority date is April 15!**
- Can be completed any time during the academic year
- Processing takes time, you may be required to provide additional documents to the school
- Complete by July 1<sup>st</sup> at the very latest to have processed by September when school begins



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# After you file the FAFSA

- You receive an email with your Student Aid Report (SAR)
  - You can make corrections at [www.fafsa.com](http://www.fafsa.com)
- Schools receive information 10-14 days after submitted
- Most schools do not process until you are admitted
- School may require additional documents
  - Tax returns
  - Verification Worksheet
- Financial Aid office at school sends you an award letter
  - You may have to accept the aid
  - Read the materials that your school sends with letter



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# Special Circumstances

## Contact the school with special circumstances

- Dependency concerns
- Change in employment status
- Medical bills not covered by insurance
- Change in parent marital status



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# Resources

- National Association of Student Financial Aid Administrators  
[www.nasfaa.org](http://www.nasfaa.org) (Parents & Students Tab)
- U.S. Department of Education's Student Aid on the Web  
<http://studentaid.ed.gov>
- Manage your student loans <https://studentloans.gov>
- National Student Loan Data System [http://www.nslds.ed.gov/nslds\\_SA/](http://www.nslds.ed.gov/nslds_SA/)
- UW Colleges Financial Aid Office <http://www.uwc.edu/>  
(Money Matters Tab)
- Find UW Colleges Student Financial Aid Office on Facebook



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# Questions

***Maria Graciano***  
**UW-Washington County**  
**Student Services Office**  
**400 University Drive**  
**West Bend, WI 53095**  
**262-335-5207**

**UW Colleges Student Financial Aid Office**  
**780 Regent Street, Suite 130**  
**Madison, WI 53715**  
**608-262-5928**

**[www.uwc.edu](http://www.uwc.edu)**



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**UW Colleges**  
**Umbrella**

**UW Colleges is the umbrella to 13**  
**campuses & UW Colleges Online:**

UW-Baraboo/  
Sauk County

UW-Barron County

UW-Fond du Lac

UW-Fox Valley

UW-Manitowoc

UW-Marathon County

UW-Marinette

UW-Marshfield/  
Wood County

UW-Richland

UW-Rock County

UW-Sheboygan

UW-Washington County

UW-Waukesha

UW Colleges Online

***13 campuses & Online***  
***program, One School Code:***

***003897***