

Financial Aid Overview

By Susanna R. Cerasuolo, M.Ed., College Counselor

What

Financial aid is given from the college, from the government, or through scholarships from businesses, employers, and private parties. There are four major types of free money you can receive to go to college: 35% comes directly from the college as scholarships or grants; 47% comes from federal grants, 8% comes from state grants or scholarships, and 10% comes from private scholarships.

The majority of full-time undergraduate students receive some form of financial aid. Do not assume that you will not qualify, and everyone qualifies for scholarships, though these take work to find. Financial aid comes in several forms: loans, work study, grants, and scholarships. Awards are based on merit or financial need. Student loans are called Stafford loans. These are subsidized (interest deferred until grad), or they are unsubsidized (interest starts as soon as you borrow). Be careful as you accept loans because these must be paid back.

When

You should start saving for college as early as possible. You can start researching scholarships during Junior year. Applications for financial aid are typically filed Senior year, October through February. Research each college's deadlines and be sure to meet them. Applying to colleges early puts you in a better position to receive aid.

Tips

- Understand how each college decides how much to charge each family; college price tags are meaningless
- When exploring ways to reduce the cost of college, look at Federal, State and private scholarships, and at the average merit aid package from each college itself
- Remember to see what is included in cost of attendance; it differs from school to school (e.g. books, room and board, food etc.)
- It's ALWAYS wise to save for college
- You can ask colleges for more FA after you receive your award
- If you have a talent then look at talent/athletic scholarships
- Look into geographic/race/gender diversity schools (schools that are interested in having kids from different areas)
- Net Price Calculators = cost after scholarships/grants
- The EFC only calculates your eligibility for Need Based Aid.

- The NPC incorporates both Need Based Aid and Merit Based Aid.
- Divorced parents:
 - FAFSA only asks for custodial parents (the parent that you spend 50% of time residing with)
 - FAFSA does not compute home equity
 - PROFILE asks for both parents' salaries and equity
 - Check for PROFILE schools that do not ask for non-custodial parent salary!
- If you don't have a Social Security number, you can pick up an application for one at any post office. For more information about applying for a Social Security number, call 1-800-772-1213.

Timeline for Financial Aid

Junior Year

Begin to research scholarships.

Senior year, October

If any of your colleges require the CSS/Financial aid PROFILE form for Early Action or Early Decision applicants, file that at profileonline.collegeboard.com.

January

Have your parents file their taxes as soon as possible because you will need them to file the FAFSA form for all government aid.

January

File the FAFSA at fafsa.ed.gov. List each college you applied to. Check out the CollegeMapper Guide to the FAFSA for step-by-step instructions for filling out the application.

February

If you have any special financial considerations not listed on your FAFSA, be sure to inform each of your colleges so that they can take them into account before they create your Award letter.

March

Within 4-6 weeks of filing the FAFSA, you will receive the Student Aid Report (SAR) which lists your Expected Family Contribution (EFC). All of the colleges you listed on your

application will also receive this information. Check the SAR carefully for errors and inform colleges if you find any.

March-April

You will receive financial aid award letters from each college showing what they will award you in terms of loans, grants, and work-study. You can compare your awards using the online comparison tool at profileonline.collegeboard.com. Always contact the college's financial aid office if you have any questions or concerns about the award letter, and to ask them if it is possible to receive more.

By May 1st

Decide which college you want to attend. Notify all schools of your choice by phone or in writing. You are not required to accept all the financial aid a school offers you. Remember, though, that all loans must be repaid. You can always accept, reduce, or decline the aid offered.

May-September

If you need it, apply for any supplemental financial aid to cover educational costs. You can apply for government and bank loans.

Myth	Reality
Saving for college will hurt my financial aid package	<ul style="list-style-type: none"> • Equity, retirement and college savings rarely affect FA
We make too much to qualify	<ul style="list-style-type: none"> • The vast majority of families qualify for aid
Expensive schools cost more; state schools are cheaper	<ul style="list-style-type: none"> • The more expensive the school, the more aid they have to give • Average tuition discount at private school is 51% • Average state school grant: \$2,000 - \$7,000 <ul style="list-style-type: none"> • 20-50% of kids get these • Average private school grant: \$15,000 - \$30,000 <ul style="list-style-type: none"> • 85% of kids get these • Offering large amounts of aid helps private schools compete with state schools and attract students with high GPAs

