What Every Student & Parent Should Know About Financial Aid

Presented By

Cypress College

For the 2015 – 2016 Academic Year
Discussion Topics

☞ Cost of Attendance
☞ What is Financial Aid?
☞ What is FAFSA?
  ❖ What is EFC?
  ❖ Financial Need
☞ Types & Sources of Aid
  ❖ Scholarships, Grants, Loans, FWS
  ❖ Federal, State, Institutional, Outside
  ❖ Beware of Scams
☞ Starting the FAFSA
  ❖ Get a PIN
  ❖ Gather Information (DRT)
  ❖ FAFSA Worksheet
☞ Completing the FAFSA
  ❖ Important Information
☞ After the FAFSA
  ❖ How FAFSA is Processed
  ❖ Next Steps
☞ Upcoming Events and Information
What is Cost of Attendance (COA)?

- **Direct costs**
  - Tuition
  - Institutional fees
  - Books
  - Supplies

- **Indirect costs**
  - Room & Board
  - Transportation
  - Personal Expenses

- **Varies widely from college to college**
Changes since 1999-2000

UC: +324%
CSU: +342%
CCC: +327%

Student Fees in California Higher Education 2000-2012
Passage of Prop 30 in November 2012 = Tuition Stabilization
## Cost of Attendance (COA) Comparison Worksheet  
### 2015-2016 Academic Year

<table>
<thead>
<tr>
<th>Direct &amp; Indirect Costs</th>
<th>Cal State Long Beach</th>
<th>UCLA</th>
<th>USC</th>
<th>Cypress College</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tuition &amp; Fees (Full Time)</strong></td>
<td>$6,420</td>
<td>$13,300</td>
<td>$48,347</td>
<td>$1,397</td>
</tr>
<tr>
<td><strong>Room &amp; Board</strong></td>
<td>$12,138</td>
<td>$9,300</td>
<td>$13,334</td>
<td>$4,518</td>
</tr>
<tr>
<td><strong>Books &amp; Supplies</strong></td>
<td>$1,828</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,746</td>
</tr>
<tr>
<td><strong>Transportation</strong></td>
<td>$1,458</td>
<td>$2,400</td>
<td>$580</td>
<td>$1,386</td>
</tr>
<tr>
<td><strong>Miscellaneous Cost</strong></td>
<td>$1,366</td>
<td>$1,900</td>
<td>$1000</td>
<td>$3,132</td>
</tr>
<tr>
<td><strong>Total COA</strong></td>
<td>$23,210</td>
<td>$28,400</td>
<td>$64,761</td>
<td>$12,179</td>
</tr>
</tbody>
</table>

*Above estimates are as of December 2014*
Financial aid consists of funds provided to students and families to help pay for postsecondary educational expenses.

- Family is responsible for costs to the extent of its ability to pay college costs.

- Aims to provide college access and choice.

- Aid eligibility is based on a “snapshot” of the family situation at a particular point in time.
Used at nearly every institution of higher education

Determines financial need and eligibility for Federal Student Aid

Free to apply

Used mainly by private (higher cost) colleges

Separate application process

Used in concert with FAFSA

Fees are charged to apply
Our Primary Focus Today is
Collects demographic and financial information about the student and family

Must be completed for each year that aid is desired

May be filed electronically or using paper form
  - Available in English or Spanish

Used to calculate the Expected Family Contribution (EFC)
  - Used by colleges to award need-based financial aid

Contact colleges of interest to determine FAFSA filing deadlines
  - March 2 is the priority deadline in California
What is Expected Family Contribution (EFC)?

- Amount family can reasonably be expected to contribute towards educational expenses

- Calculated by the U.S. Dept. of Education using data from the Free Application for Federal Student Aid (FAFSA)

- Two components
  - Parent contribution
  - Student contribution

- Stays the same regardless of college
What is Financial Need

COA

- EFC

= Financial Need
Types and Sources of Financial Aid

Most require a FAFSA!
<table>
<thead>
<tr>
<th>Types of Financial Aid</th>
<th>Categories of Financial Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td>Need-based</td>
</tr>
<tr>
<td>Grants</td>
<td>Must have financial need</td>
</tr>
<tr>
<td>Loans</td>
<td>Non need-based</td>
</tr>
<tr>
<td>Federal Work-Study</td>
<td>Financial need does not matter</td>
</tr>
</tbody>
</table>
Scholarships

- Money that does not have to be paid back
- Awarded on the basis of merit, skill, or unique characteristic
- Many online scholarship databases are available
  - Example: www.Fastweb.com
Grants

- Cash aid that does not have to be paid back
- Usually awarded on the basis of financial need
Money that students and parents may borrow to help pay college expenses

- A loan request form may be required after completing the FAFSA
  - Speak with your institution’s Financial Aid Office for details

Repayment usually begins after education is finished

Look at loans as an investment in the future

Only borrow what is really needed

- Interest may be collecting during college
Federal Work-Study

- Allows student to earn money to help pay educational costs
  - A paycheck
  - Non-monetary compensation, such as room and board

- Details and requirements will slightly differ across institutions

- Will need to follow up with the college’s Financial Aid Office to get into the program
  - College will need to receive the FAFSA first
Sources of Financial Aid

- Federal
- State
- Institutional Funds
  - Colleges & Universities
- Outside Agencies
  - Private sources
  - Civic Organizations & Churches
  - Employers
Largest source of financial aid

Aid awarded primarily on the basis of financial need

Must be US Citizen or eligible non-citizen

- AB540/DREAM Act students do not qualify for Federal Student Aid

Must apply every year using the Free Application for Federal Student Aid (FAFSA)

Submit your FAFSA between January 1 – March 2

- Maximizes eligibility for Federal Student Aid
Common Federal Aid Programs

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Work-Study (FWS)
- Federal Direct Student Loans
  - Subsidized
  - Unsubsidized
  - PLUS (Parents)
- Federal Perkins Loan
- Teacher Education Assistance for College and Higher Education (TEACH) Grant
- Iraq and Afghanistan Service Grant (IASG)

www.StudentAid.ed.gov
(For detailed descriptions)
State of California

- Aid awarded primarily on the basis of financial need

- Must be a US Citizen, eligible non-citizen, or AB540/DREAM Act student

- Must submit a GPA verification form
  - Sent by the high school counselor

- Must apply every year through FAFSA or CA Dream Act

- Submit GPA verification & application before March 2
  - “Priority Deadline”
Board of Governors Fee Waiver (BOGW)

- Waives all enrollment fees
- Only available at community colleges

Cal Grant

- Cash aid
- Can be used at all colleges
  - Award amount changes depending on the institution

Visit your college’s Financial Aid Office for details
Application for AB540/Eligible Undocumented students

- Not eligible under the FAFSA

Submitted online at [www.caldreamact.org](http://www.caldreamact.org)

- Complete between January 1 – March 2 qualify for Cal Grants
- Submit a Cal Grant GPA verification form
  - Completed by the high school counselor

Cypress College has developed comprehensive DREAM Act resources

- Visit the Financial Aid website at [www.cypresscollege.edu](http://www.cypresscollege.edu)
- Select “DREAM Act”
  - [www.cypresscollege.edu/admissions/financialAid/dreamact.aspx](http://www.cypresscollege.edu/admissions/financialAid/dreamact.aspx)

The application’s priority deadline is March 2nd
Institutional and Outside Aid

**Institutional Aid**

- Grants
- Scholarships
- Loan Programs
- Student Employment

**Outside Aid**

- Local organizations
- Churches
- Civic Groups
- Parents’ employers
- Veterans Administration

*Visit your college’s Financial Aid Office for information on any college specific awards they may offer*

*Begin researching early! – Deadlines and application procedures vary widely but usually begin Spring of your Senior year*
Offers to help get financial aid are everywhere:
- In the mail
- Over the Internet
- In newspapers
- In magazines
- Over the phone

Beware and Avoid:
- Organizations that guarantee you will get a scholarship or aid
- Services that offer to locate more aid for a fee
- Anyone who charges you a fee:
  - for information about financial aid
  - to complete the FAFSA
  - to apply/receive a scholarship
Starting the FAFSA
Getting Started with FAFSA

- FAFSA can be filed beginning January 1, 2015 for 2015-2016
  - Electronically at www.fafsa.ed.gov
  - Can obtain paper form
    - By mail call 1-800-4-FED-AID (1-800-433-3243)
    - Online at www.fafsa.ed.gov

- Results generally available online in 48 hours to you

- Before you fill out the FAFSA:
  - Apply for a PIN (electronic filers)
  - Gather the information you will need
  - Print and complete a FAFSA on the Web Worksheet
What is a Personal Identification Number (PIN)?

- A PIN is an electronic signature for Federal Student Aid purposes used to “sign” the FAFSA online.

- Website: www.pin.ed.gov

- Not required, but speeds processing.

- The student (and one parent if student is a dependent) will need to apply for a PIN.

- A PIN will expire if not used for 18 consecutive months.
**Gather the Information**

<table>
<thead>
<tr>
<th>General Student Information</th>
<th>Information About Student, Student’s Spouse, and Parents of Dependent Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>⚫ Social Security Number</td>
<td>⚫ Tax, income, and other financial information</td>
</tr>
<tr>
<td>⚫ Citizenship status</td>
<td>⚫ Dislocated worker status</td>
</tr>
<tr>
<td>⚫ Marital status</td>
<td>⚫ Receipt of federal means-tested benefits</td>
</tr>
<tr>
<td>⚫ Drug convictions</td>
<td>⚫ Assets</td>
</tr>
<tr>
<td>⚫ Selective Service registration</td>
<td>⚫ Untaxed income</td>
</tr>
<tr>
<td>⚫ Level of parents’ school completion</td>
<td></td>
</tr>
</tbody>
</table>
IRS Data Retrieval Tool (DRT)

- Submits real-time request to the IRS for tax data which can be transferred into the FAFSA
  - IRS will authenticate taxpayer’s identity (student or parent)
  - Real-time results appear in new window for you to view
  - You choose whether or not to transfer the information

- Participation is voluntary

- Speeds up and eases application process

- Reduces documents requested by financial aid office
Available early February 2015 for 2015-2016 FAFSA
- Within several days for electronic tax filers
- Within several weeks for paper tax filers

To use the Tool, must have:
- A valid Social Security Number
- Filed a 2014 federal tax return
- The exact street address and filing status used on the tax return

Some are unable to use the DRT
Common reasons (student or parent):
- Filed an amended tax return
- Used Married Filing Separately tax filing status

FAFSA will help determine if you can use the DRT
You may be able to use the IRS Data Retrieval Tool to view and transfer your tax information from the IRS.

Did you file an amended tax return?
- Yes
- No

Did you file a Puerto Rican or foreign tax return?
- Yes
- No

Did you file your taxes electronically in the last 3 weeks (or by mail in the last 8 weeks)?
- Yes
- No

Based on your response, we recommend that you transfer your information from the IRS into this FAFSA.

Enter your PIN and click Link To IRS.

What is your PIN?

I Forgot/Don't Know My PIN

[LINK TO IRS]
Get My Federal Income Tax Information

See our Privacy Notice regarding our request for your personal information.

Enter the following information as it appears on your 2013 Federal Income Tax Return.

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name *</td>
<td>COPPER</td>
</tr>
<tr>
<td>Last Name *</td>
<td>C.Dog</td>
</tr>
<tr>
<td>Social Security Number *</td>
<td>*** - ** - 8046</td>
</tr>
<tr>
<td>Date of Birth *</td>
<td>01 / 01 / 1959</td>
</tr>
<tr>
<td>Filing Status *</td>
<td>Head of Household</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Address *</td>
<td>DOE Testing</td>
</tr>
<tr>
<td>P.O. Box (Required if entered on your tax return)</td>
<td></td>
</tr>
<tr>
<td>Apt. Number (Required if entered on your tax return)</td>
<td></td>
</tr>
<tr>
<td>Country *</td>
<td>United States</td>
</tr>
<tr>
<td>City, Town or Post Office *</td>
<td>FSA</td>
</tr>
<tr>
<td>State/U.S. Territory *</td>
<td>Massachusetts (MA)</td>
</tr>
<tr>
<td>ZIP Code *</td>
<td>23456</td>
</tr>
</tbody>
</table>

Select the button below to exit the IRS system and return to your FAFSA.

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.

Submit
Parent 2013 Federal Income Tax Information

The information below is your tax information that will help you answer some of the questions on the FAFSA.

<table>
<thead>
<tr>
<th>My Tax Information</th>
<th>FAFSA Question Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tax Year</strong></td>
<td>2013</td>
</tr>
<tr>
<td><strong>Name(s)</strong></td>
<td>Copper C Dog</td>
</tr>
<tr>
<td><strong>Social Security Number</strong></td>
<td>*** - ** - 8046</td>
</tr>
<tr>
<td><strong>Filing Status</strong></td>
<td>Head of Household</td>
</tr>
<tr>
<td><strong>Type of Tax Return Filed</strong></td>
<td>1040</td>
</tr>
<tr>
<td><strong>Adjusted Gross Income</strong></td>
<td>$11,000</td>
</tr>
<tr>
<td><strong>Income Earned From Work</strong></td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>Income Tax</strong></td>
<td>$2,200</td>
</tr>
<tr>
<td><strong>IRS Exemptions</strong></td>
<td>1</td>
</tr>
<tr>
<td><strong>Education Credits</strong></td>
<td>$0</td>
</tr>
<tr>
<td><strong>IRA Deductions and Payments</strong></td>
<td>$0</td>
</tr>
<tr>
<td><strong>Tax-Exempt Interest Income</strong></td>
<td>$200</td>
</tr>
<tr>
<td><strong>Untaxed IRA Distributions</strong></td>
<td>$0</td>
</tr>
<tr>
<td><strong>Untaxed Pensions</strong></td>
<td>$0</td>
</tr>
</tbody>
</table>

Print this page for your records before choosing an option below.

**Transfer My Tax Information into the FAFSA**
- The tax information provided above will populate the answers to the appropriate FAFSA questions.
- After the FAFSA is populated your IRS session will end and you will return to your FAFSA.
- Check this box if you are choosing to transfer your information.

**Do Not Transfer My Tax Information and Return to the FAFSA**
- By clicking the “Do Not Transfer” button, you are choosing not to transfer your tax information electronically.
- Your IRS session will end and you will return to your FAFSA.
- You may still use this tax information to input the data into your FAFSA.
Optional worksheet that will help you complete the FAFSA online

- Gives instructions and a general preview of the FAFSA
- Questions are in the same order as the online FAFSA
- All your information is in one place

Available in PDF format from www.FAFSA.ed.gov

- New worksheet for 2015-16 is now available
Completing the FAFSA

Things to know when you fill it out!
Who is Considered a Parent?

Biological or adoptive parents (regardless of gender):

- Parents married and living with each other
- Parents unmarried and living with each other
- Parent widowed or single
- Parents divorced or separated
  - Must use the information for the parent that the student lived with the most during past 12 months
    - If equal time is spent with both parents, then you must use the information for the parent who provided more financial support during the past 12 months

NOTE: If the custodial parent has remarried, then student must answer questions about that parent and the person whom they married (step-parent)
Who is not Considered a Parent?

- Foster parents
- Legal guardians who have not adopted the student
- Relatives who have not adopted the student
- Stepparents who have not adopted the student if the biological parent in the household is deceased
  - Student must use the remaining biological/adoptive parent’s information on the FAFSA
  - If there is no remaining biological/adoptive parent the student will need to indicate special circumstances on the FAFSA
Special Circumstances

- Cannot be documented using FAFSA

- Visit your college’s Financial Aid Office for information on how to submit your explanation and documentation

- College will review and may request additional information

- Decisions made by the institution are final and cannot be appealed to U.S. Department of Education
Special Circumstances

Important: You told us that you think you have a special circumstance and are unable to provide parental information. Before we allow you to proceed and skip the parental section of your FAFSA we must advise you of the following:

Under Federal law to the extent your family is able, they are primarily responsible for paying for your college expenses. To determine how much your family can afford to pay towards your college expenses, we must collect your financial information and your parents' financial information.

However, Federal law allows for some exceptions, if you have a special circumstance. The following are examples of some special circumstances where you may submit your FAFSA without providing parental information:

- Your parents are incarcerated; or
- You have left home due to an abusive family environment; or
- You do not know where your parents are and are unable to contact them (and you have not been adopted).

But not all situations are considered a special circumstance. The following are situations that would not be considered a special circumstance:

- Your parents do not want to provide their information on your FAFSA; or
- Your parents refuse to contribute to your college expenses; or
- Your parents do not claim you as a dependent on their income taxes; or
- You do not live with your parents.

Now that you have reviewed the information above, select one of the following options and click Next to continue.

- I will provide parental information
- I have a special circumstance and I am unable to provide parental information
- I do not have a special circumstance but I am unable to provide parental information
Frequent FAFSA Errors

- Social Security Numbers
- Divorced/remarried parental information
- Income earned by parents/stepparents
- Untaxed income
- U.S. income taxes paid
- Household size
- Number of household members in college
- Real estate and investment net worth
- School Code
After the FAFSA
Student Completes FAFSA
Generates a Student Aid Report (SAR)

U.S. Department of Education (DOE)
Central Processing System (CPS)

Starting in February:
• The Financial Aid Office will electronically retrieve FAFSAs that have their school code
• Most institutions retrieve FAFSAs at least once a week during peak processing times

Corrections may be needed
• If requested documentation shows different information than the SAR
• The Financial Aid Office will send corrected information to the DOE

Additional documentation may be required
• Promptly submit all requested documentation when you are notified by the Financial Aid Office of your preferred school
The Central Processing System (CPS) notifies student of FAFSA processing results by:

- Paper Student Aid Report (SAR)
  - If paper FAFSA and no email address
- SAR Acknowledgement
  - If online FAFSA and no email address
- Email notification with a direct link to student’s online SAR
  - If student's email was provided

View the SAR online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov)

An Institutional Student Information Record (ISIR) will be available for all colleges listed on FAFSA

- Beginning in February or 10 to 14 days after submission
If necessary, corrections to FAFSA data may be made by:

- **Using the FAFSA Website** ([www.fafsa.ed.gov](http://www.fafsa.ed.gov))
  - You must have a PIN to use this feature

- **Updating a paper FAFSA and mailing it**
  - The SAR Information Acknowledgment cannot be used to make corrections

- **Submitting documentation to your college’s Financial Aid Office**
  - Allows the Financial Aid Office to make corrections on your behalf
Next Steps

- Check your status at your institution’s Financial Aid Office
- Submit any requested documents and complete verification (if required)
- Respond to any questions from the Financial Aid Office
- Accept desired financial aid offers
- Double check to be sure you have completed all steps necessary to secure the financial aid awards you accepted

*Note:* Don’t assume all is well, follow up with Financial Aid!
Cypress College Campus Events
Designed for High School Seniors and Parents

☞ **PARENT NIGHT**
  - April 23, 2015
  - Specially designed for parents & seniors who plan on attending Cypress College
  - Over 35 resource tables, refreshments, presentations, and scholarship giveaway

☞ **NEW STUDENT WELCOME NIGHT**
  - 2015-2016 August 21, 2015
  - Find your classes, meet faculty, learn about your major, and take care of last minute business for start of classes
Financial Aid Calculator:
- Preview your EFC and eligibility for Pell Grants
- Search “FAFSA4caster” at www.StudentAid.ed.gov

Visit financial aid websites from colleges/universities for recommended scholarship search resources.

PowerPoint is available on the Cypress College Financial Aid Website
- www.cypresscollege.edu
- SELECT: “Admissions & Financial Aid”
- SELECT: “Financial Aid”
- Presentation will be on the homepage