


Paying for College


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Kalamazoo Valley Community College
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Costs for College

- ▶ Direct costs
 - Tuition and Fees
 - Room and board
 - Books

 - ▶ Indirect costs
 - Living expenses
 - Travel
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Cost of Attendance (COA)

- ▶ Established by the institution
 - ▶ Includes direct and indirect costs
 - ▶ Helps establish financial need
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Paying for College

- ▶ Cash, Check, or Credit Card
- ▶ Employer Benefits / Employer Scholarships
- ▶ 529 Plans
 - MESP – Any Eligible College / University
 - MET – Can be used outside MI, but will pay average MI tuition and fees for contract amount
- ▶ Payment Plans
 - Pay amount owed to college in installments during the semester (usually 3–4 monthly payments)

Paying For College

- ▶ **Biggest Source of Scholarships:**
 - The College you are attending!
 - Qualifying as an incoming freshman
- ▶ **Examples:**
 - WMU Medallion Scholarship (\$15,000 / 4 years)
 - GVSU Presidential Scholarship (\$7,000 / 4 years)
 - MSU Honors Excellence Scholarship (\$13,000 / 4 years)

FAFSA, CSS Profile, Scholarship Applications...

- ▶ Must “apply to...”
 - ▶ Can be confusing
 - ▶ CSS is not required for most colleges
 - ▶ FAFSA and Scholarship applications take student initiative (outside of freshman admissions scholarships are usually required if seeking funds).
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What is Financial Aid

- ▶ Financial aid consists of funds provided to students and families to help pay for postsecondary educational expenses
 - Federal funds
 - State funds
 - Institutional funds
 - Private funds


How do I Apply?

- ▶ FAFSA
 - FREE Application for Federal Student Aid
- ▶ Available through Mobile App:
myStudentAid App
- ▶ Available Online
 - www.fafsa.gov
 - Also sometimes called “FotW” (FAFSA on the Web)
- ▶ Must Renew FAFSA each school year

FAFSA

- ▶ May be filed at any time during an academic year, but no earlier than October 1st prior to the academic year for which the student requests aid
 - ▶ Most colleges set FAFSA filing deadlines for scholarships
 - ▶ **FREE – cannot emphasize this enough...**the FAFSA will not ask for your credit card number
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FAFSA – Required information

- ▶ FAFSA is available at www.fafsa.gov
 - ▶ “Skip technology” simplifies the application
 - ▶ You will know the answer to almost all of the questions
 - ▶ Only one question you cannot answer incorrectly: The Student’s Social Security Number!! (schools and families can update and fix everything else).
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Dependency Questions

The FAFSA asks a series of questions to determine if a student is independent or dependent.


Dependent students will need to include parent(s) information on the FAFSA

Dependent students will also need parent(s) to sign the FAFSA


Which parent on FAFSA?

- ▶ **If the parents have divorced or separated:**
 - Answer the questions about the parent you lived with more during the past 12 months
 - If exactly equal time, who provides most support?
 - NOT:** * who claims student on taxes
 - * who will result in highest eligibility
- ▶ **If this parent has remarried as of today,** answer the questions about both that parent and the person to whom the parent is married (ie... Step parent)


2020–2021 FAFSA

- ▶ 2018 Tax information
 - ▶ Cannot/should not update to 2019 taxes
 - ▶ IRS Data Retrieval – if successful, information will not be displayed to family/student
 - ▶ Tax Returns with Schedules
 - ▶ Tax Transcripts
 - ▶ Verification of Non–Tax Filing
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Sign & Submit the FAFSA

- ▶ You will sign the FAFSA using your FSA ID
 - ▶ FSA ID is also how you login to myStudentAid
 - <https://fsaid.ed.gov>
 - Unique to your SSN
 - Unique to your email address
 - Cannot be shared!
 - Parents of dependent students will have their own FSA ID
 - Only the owner should create a FSA ID
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Additional Requirements

- ▶ Verification
 - ▶ Authorization
 - ▶ Loan requirements
 - ▶ Register with Selective Service
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Expected Family Contribution (EFC)

- ▶ The FAFSA is used to calculate Expected Family Contribution (EFC)
- ▶ EFC determines eligibility for the federal Pell Grant
- ▶ $COA - EFC = \text{financial need}$

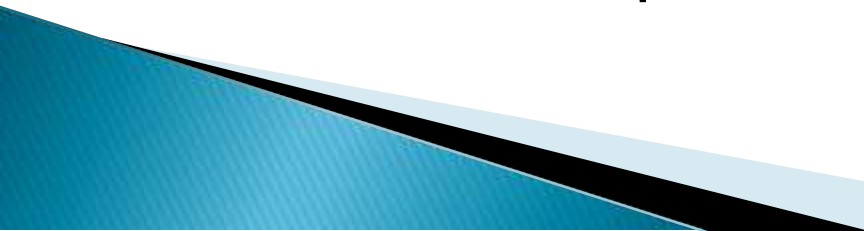
Four Types of Financial Aid

- ▶ Grants
 - ▶ Scholarships
 - ▶ Work programs (work–study)
 - ▶ Loans
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Grants

- ▶ Free money!
- ▶ Federal Pell Grant is the biggest source of grant money
 - Eligibility is based on the EFC determined by the FAFSA
 - Maximum award for 2019–2020 is \$6,195
 - Is limited to 6 years (or the equivalent of 12 full-time semesters)
- ▶ SEOG – priority to Pell Grant recipients
- ▶ Institutional Grants


Scholarships

- ▶ Free money
 - ▶ Usually requires a separate application as determined by the donor
 - FAFSA is often required
 - Many state scholarships require a specific FAFSA submission date
 - ▶ Scholarships can be local, national, institutional, regional...
 - ▶ Always check with employers for tuition reimbursement
 - ▶ Student is responsible for researching, applying
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Employment

- ▶ Work–study programs (federal and institutional, no state funds)
 - ▶ Self–help program that provides on–campus (and sometimes off–campus) employment to eligible undergraduate and graduate students
 - ▶ Each institution determines awarding rules and priorities for work–study dollars
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Loans

- ▶ Federal Direct loans
 - Subsidized
 - Unsubsidized
 - ▶ Parent PLUS Loan for parents of dependent students
 - ▶ Graduate PLUS Loan for graduate students
 - ▶ Private/alternative loans
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Federal Direct Loans

- ▶ Subsidized
 - Low-interest loans for financially need undergraduate students
 - Interest does not accrue while the student is in school
 - Limited based on grade level, financial need, and time spent completing your program
- ▶ Unsubsidized
 - Low-interest, not need-based
 - Dependency status/grade level determines eligibility


Federal Direct Loan (cont.)

- ▶ Amount determined by grade level, dependency status:
 - Dependent Freshman qualify for \$5500 (\$3500 can be subsidized)
 - Independent Freshman qualify for \$9500 (\$3500 can be subsidized)


Michigan Programs

- ▶ Tuition Incentive Program
 - For students who received Medicaid coverage for 24 months within a 36 month period
 - Phase I: Covers in-district costs of tuition and mandatory fees for associate degree/certificate program at Community College
 - Phase II: Provides \$2000 tuition assistance at an eligible in-state four-year college/university
- ▶ Michigan Competitive Scholarship: \$1000

What to do next?

- ▶ You must be admitted as a regular student into an eligible program
 - ▶ Keep applying and looking for scholarships (within the college, in your community)
 - ▶ Check with your institution
 - Award letter
 - Requirements to complete financial aid eligibility
 - Requirements may vary from college to college
 - Requirements/next steps may be fund specific
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Continued eligibility

- ▶ Complete a FAFSA each year
 - 2021–2022 FAFSA available October 1, 2020
 - ▶ Attend classes, pass classes
 - ▶ Continue scholarship search
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Questions?

- ▶ Answers?
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