

# 2017/18 Financial Aid High School Presentation

New Jersey Higher Education Student  
Assistance Authority





# The Mission

The Higher Education Student Assistance Authority is the only State agency with the sole mission of providing students and families with the financial and informational resources to pursue their education beyond high school.





# Goals of Financial Aid Office

- Primary goal is to assist students in paying for college and is achieved by:
  - Evaluating family's ability to pay for educational costs
  - Distributing limited resources in an equitable manner
  - Providing a balance of gift aid and self-help aid
  - Implement federal and state regulations for their college/university



## Help! Sources of Aid

- Federal
- State of New Jersey
- The College/University
- Outside Organizations
  - Civic organizations (ex.-local Rotary Club), parent's employer, high school awards

## Types of Financial Aid

- Grants
- Scholarships
- Loans
- Employment Opportunities



# Types of Aid - Federal

## Gift Aid - Grants

- **Federal Government 2016/17**
  - Pell (\$5,815 projected award)
  - SEOG (\$4,000 max award)
  - TEACH (\$3,728 max award)

Awards subject to change for 2017/18.





# Types of Aid – State

- **State of New Jersey**

- TAG (Tuition Aid Grant) 2016 - 2017
  - Demonstrate Financial Need
  - Be a U.S. citizen or eligible non-citizen
  - Must be New Jersey Resident & attend a New Jersey Institution
  - Must be full time at an approved degree program
  - Meet all state deadlines
- Part-Time TAG for County Colleges 2016 -2017
  - Meet all TAG requirements
  - With the exception of being enrolled for 6-11 credits



# Types of Aid – State (cont.)

- **State of New Jersey**

- EOF (Educational Opportunity Fund)

- Award ranges from \$200 - \$2,500 annually depending on type of institution
- Must demonstrate educational and economically disadvantaged background
- File FAFSA

- Governor's Urban Scholarship

- Rank within the top 5% of their class at the end of junior year
- Attain a 3.0 GPA at the end of the junior year
- Attend an approved New Jersey college or University and reside in a designated community
- Have a New Jersey Eligibility Index below 10,500





# Types of Aid – State (cont.)

- **State Scholarships**

- **NJ STARS**

- NJ residents who rank in the top 15% of their class at either the end of junior or senior year
- Achieve the required score on a college placement test to determine college readiness
- Students must take at least 12 college credits
- Students must attain a cumulative GPA of 3.0 or higher at the start of the third semester at the county college to remain an NJ STAR
- Must file a Free Application for Federal Student Aid (FAFSA)

- **NJ STARS II**

- Received NJSTARS funding and have a family taxable income of less than \$250,000
- Must earn an associates degree and graduate with a 3.25 GPA or higher
- May receive up to \$2,500 annually for a public or private 4-year NJ college or university
- Must enroll full time (12 credit hours)
- Must file a Free Application for Federal Student Aid (FAFSA)







# Types of Aid – State (cont.)

- **State Scholarships**

- Governor’s Industry Vocation Scholarship for Women & Minorities (NJ - GIVS)
  - Up to \$2,000 per year for the cost of enrollment at one of New Jersey’s 19 County Colleges
  - Benefits women and minorities pursuing certificate or degree programs in construction – related fields
  - Must be NJ resident
  - Must file a FAFSA & complete separate application online at [www.njgrants.org](http://www.njgrants.org)
  - Some of the programs eligible for the scholarship include
    - Construction Supervision
    - Solar Energy Technology
    - Architectural Engineering Technology





# Self Help Loans & Gap Shortfall Solutions

- Monthly Payment Plans – offered by the college
- Federal Perkins Loan up to \$5,500 (5% interest rate)
- Federal Direct Loan Program (1<sup>st</sup> year dependent student)
  - Subsidized Stafford Loan \$3,500 need based
  - Unsubsidized Stafford Loan \$2,000 additional
- 2016 - 2017 - Federal Direct Undergraduate Direct Loans are 3.76% plus a 1% origination fee

2017 – 2018 Rates and fees are subject to change





# Self Help Loans to Cover the Gap

*borrow up to cost of attendance*

## 2016 -2017 - NJCLASS Supplemental Loan Program

- 10 Year Fixed Rate NJCLASS LOAN, starting at 4.48% / 5.52% APR

This option has 3% origination fee

- 15 Year Fixed Rate NJCLASS LOAN is 5.19% / 6.10% APR

This option is also a 3% origination fee and students / families can borrow up to the cost of attendance. Interest only payments while in school available for this repayment plan

- 20 Year Fixed Rate NJCLASS LOAN is 7.15% / 8.23% APR

This option has 3% origination fee

- Federal PLUS Program (6.31% & 4.262% Origination fee)

Parent is the borrower

2017 – 2018 Rates and fees are subject to change



# Applications to Access Aid

[student.collegeboard.org/profile](http://student.collegeboard.org/profile)

CSS / Financial Aid PROFILE®

Use PROFILE to Apply for Financial Aid.

Welcome to PROFILE. By filling out one form, you can apply online for nonfederal aid from almost 400 colleges and scholarship programs.

**Apply for Financial Aid**

This interactive presentation will give you useful tips and help you prepare to apply for financial aid using CSS/Financial Aid PROFILE®. The minimum browser requirements to view the presentation are Internet Explorer 9+, Chrome 21+, Safari 5.1+, Firefox 14+, iPad 5+, and Android tablet 4.1+.

Fall 2015 or  
Spring 2016

Sign In

Fall 2016 or Spring 2017  
Available starting October 1, 2015

2015  
Guide >>>

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

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FSA ID



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Help

Free Application for Federal Student Aid  
**FAFSA®**

English | Español

SEARCH

**Get help paying for college**  
Submit a Free Application for Federal Student Aid (FAFSA)

New to the FAFSA?

Start A New  
FAFSA

Returning User?

- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

Login





# Application: CSS Profile

- Nearly 400 Colleges and Organizations use the CSS profile to determine how they will award institutional funds
- Available 10/1 each year and collects more comprehensive income, asset and household information than the FAFSA (i.e. assets for business owners regardless of number of employees)
- Aligns with the FAFSA's use of prior prior year income (currently 2015)

Register - Complete Application – Make payment - Submit







# CSS Profile

- Website to apply for profile  
[www.student.collegeboard.org/profile](http://www.student.collegeboard.org/profile)
- Website to apply for Noncustodial Profile:  
[www.ncprofile.collegeboard.org](http://www.ncprofile.collegeboard.org)

Customer Service  
305-829-9793  
[help@cssprofile.org](mailto:help@cssprofile.org)





# Application: FAFSA

- 2017-2018 FAFSA available October 1, 2016
- FAFSA will use prior prior year income information (2015)
- IRS Data Retrieval Tool can be used immediately
  - All prior prior year tax information (2015) is already filed, allowing immediate retrieval.





# Application: FAFSA

- Submit the Free Application for Federal Student Aid (FAFSA) prior to the earliest school's deadline & complete the NJ State Specific Questions
- To ensure maximum consideration for federal, state, and institutional aid, check information from each school to determine:
  - Required application materials
  - Application deadlines







# Free Application for Federal Student Aid (FAFSA)

- Collects family's personal and financial information used to calculate the student's Expected Family Contribution
- File the FAFSA electronically
  - FAFSA on the Web at [www.fafsa.ed.gov](http://www.fafsa.ed.gov)
  - Student & Parent must create a Federal Student Aid ID (FSA ID) at [fsaid.ed.gov](http://fsaid.ed.gov)
- Use the IRS Data Retrieval Tool to populate income & tax information with actual prior prior year tax information (currently 2015)





# What is a Federal Student Aid (FSA) ID?

- In order to enhance security, FAFSA has created a user name and password login
- If you already have a PIN, you can link your information to your new FSA ID by entering your PIN while registering for your FSA ID
  - ✓ PIN number is not necessary to create a FSA ID
- If you are a parent of a ***dependent student***, you will need your own FSA ID





# Key Components of the FAFSA

- Student Demographics
  - Last Name
  - Social Security Number
  - Date of Birth
  - NJ applicants must provide an answer to the driver's license questions.
  - **ALL** applicants must indicate their gender.
- Student Income and Assets
  - IRS Data Retrieval
  - Income earned from work
- Student Status: Dependent/Independent
- Parent Demographics-Who is a Parent?
  - Social Security Number
  - Last Name
  - Date of Birth





# Key Components of the FAFSA (cont.)

- Household Size
  - Number in college
- Parent(s) Income and Assets
  - IRS Data Retrieval
  - Income earned from work
  - Dislocated Worker
- Federal Means Tested Benefits
  - Medicaid, SSI, SNAP, Free or Reduced Price School Lunch, TANF, WIC
  - College Choice
  - List all colleges of interest (up to 10)
- Once submitted, use the link from the FAFSA confirmation page to HESAA's portal to complete the additional data elements for Tuition Aid Grant (TAG) and NJ STARS (II) eligibility.
  - Applicants who bypass answering the State questions, should log into [www.njgrants.org](http://www.njgrants.org)
  - Students must create a user ID and password to answer the State specific questions





# Common Mistakes Made on the FAFSA

- Student's name as it appears on the social security card, social security number, and date of birth.
- Parent section vs. Student section
- Number of people in the household
- Divorced/remarried households
- Taxes paid vs. taxes withheld
- Parental and student assets
  - “Zero” is a number
- College grade level
- Skipping the gender question





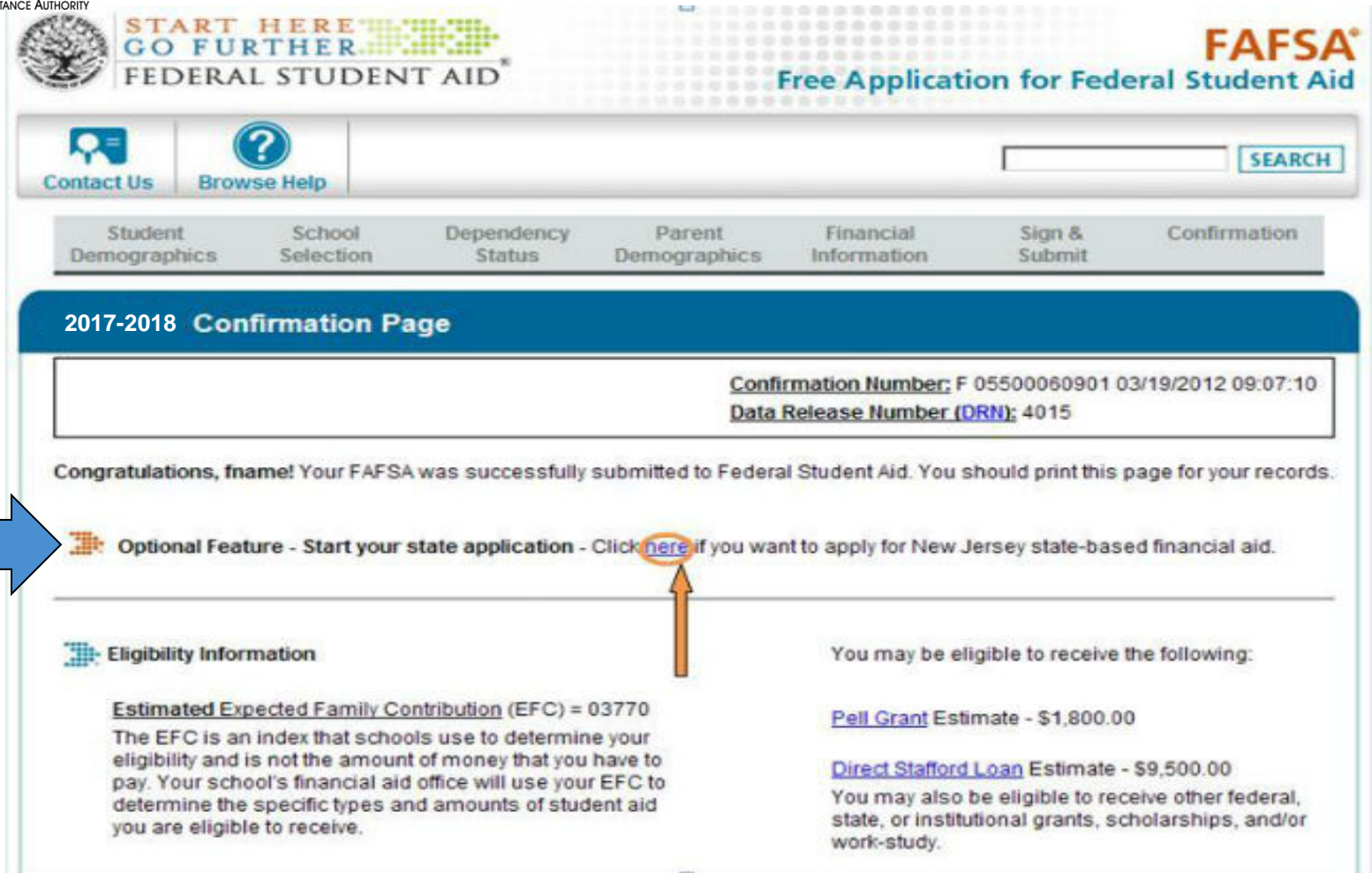
# How To Be Considered for State Aid

- Complete the FAFSA by established State deadlines
- Once you submit the FAFSA, NJ residents will be given the option to link to the Higher Education Student Assistance Authority's portal to respond to additional questions to be considered for TAG, NJ STARS, NJ STARS II and other state programs.
- Click the link and complete the additional New Jersey State questions. If questions not answered, student may log into "njgrants.org" to complete the additional questions for state aid.
- HESAA will notify you via email of the status of your State grant application.
  - It is highly recommended to use a personal email address: all correspondence will go to the email address listed on the FAFSA





# Click to Apply for State Aid



**START HERE  
GO FURTHER.  
FEDERAL STUDENT AID**

**FAFSA®**  
Free Application for Federal Student Aid

Contact Us Browse Help

Student Demographics School Selection Dependency Status Parent Demographics Financial Information Sign & Submit Confirmation

**2017-2018 Confirmation Page**

**Confirmation Number:** F 05500060901 03/19/2012 09:07:10  
**Data Release Number (DRN):** 4015

Congratulations, **fname!** Your FAFSA was successfully submitted to Federal Student Aid. You should print this page for your records.

**Optional Feature - Start your state application - Click [here](#) if you want to apply for New Jersey state-based financial aid.**

**Eligibility Information**

**Estimated Expected Family Contribution (EFC) = 03770**  
The EFC is an index that schools use to determine your eligibility and is not the amount of money that you have to pay. Your school's financial aid office will use your EFC to determine the specific types and amounts of student aid you are eligible to receive.

You may be eligible to receive the following:

**Pell Grant** Estimate - \$1,800.00

**Direct Stafford Loan** Estimate - \$9,500.00  
You may also be eligible to receive other federal, state, or institutional grants, scholarships, and/or work-study.



# Cost of Attendance

- Tuition and fees
- Room and board
- Books and supplies, equipment, transportation, and miscellaneous personal expenses
- Loan fees
- Study abroad costs
- Dependent care expenses
- Expenses related to a disability
- Expenses for cooperative education program





# Unexpected Costs

- Remediation Classes: extra 1 – 2 semesters
- Change in major: 1 – 2 years in addition
- Transferring: possible extra semester
- Unpaid internships: loss of Summer wages
- Study Abroad, Spring break, trips home and pledging costs
- Moving expenses and Summer storage





# What Is The Expected Family Contribution (EFC)?

- Basis of financial aid package
- EFC is determined by a federal formula that calculates need using the information you supplied on the FAFSA
- EFC & Financial Need are guidelines used by schools to determine an aid package
- EFC is not necessarily equal to a family's out-of-pocket costs



# Sample EFC for Smith Family

- Family lives in New Jersey
- Married parents, both age 52
- Household size of 4 with 1 child going to college
- 2015 adjusted gross income = \$120,000
- Assets = \$20,000
- Student income / assets = 0

**EFC = \$20,830**



# Financial Need for Smith Family

College	Community College	State College or University	Private College or University
<b>COA</b>	\$5,860	\$25,561	\$45,676
<b>EFC</b>	\$20,830	\$20,830	\$20,830
<b>Financial Need</b>	0	\$4,731	\$24,846





# Shopping Sheet

- The Shopping Sheet standardizes award letters, making it easier to comparison shop and provide students with key information including:
  - How much one year of school will cost.
  - Financial aid options to pay this cost, with a clear differentiation between grants and scholarships, which do not have to be repaid, and loans, which do.
  - The net costs after grants and scholarships are taken into account.
  - Fundamental information about student results, including information comparing default rates, graduation rates, and median debt levels for the school.
  - Potential monthly payments for the federal student loans the typical student would owe after graduation.

## You may see the Shopping Sheet

University of the United States (UUS)  
Student Name, Identifier MM TDD YYYY

[Download](#)

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**Costs in the 2015-16 year**

Estimated Cost of Attendance	\$X,XXX / yr
Tuition and fees	\$ X,XXX
Housing and meals	X,XXX
Books and supplies	X,XXX
Transportation	X,XXX
Other education costs	X,XXX

**Graduation Rate**  
Percentage of full-time students who graduate within 6 years

XX.X%

Low Medium High

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**Grants and scholarships to pay for college**

Total Grants and Scholarships ("Gift" Aid; no repayment needed)	\$X,XXX / yr
Grants and scholarships from your school	\$ X,XXX
Federal Pell Grant	X,XXX
Grants from your state	X,XXX
Other scholarships you can use	X,XXX

**Loan Default Rate**  
Percentage of borrowers entering repayment and defaulting on their loan

X.X%

This Institution National

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**What will you pay for college**

Net Costs	\$X,XXX / yr
<small>(Cost of attendance minus total grants and scholarships)</small>	

**Median Borrowing**  
Students who borrow at UUS typically take out \$X,XXX in Federal loans for their undergraduate study. The Federal loan payment over 10 years for this amount is approximately \$X,XXX per month. Your borrowing may be different.

\$

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**Options to pay net costs**

**Work options**

Work-Study (Federal, state, or institutional) \$ X,XXX

**Repaying your loans**

To learn about loan repayment choices and work out your Federal Loan monthly payment, go to: <http://studentaid.ed.gov/repay-loans/understandplans>

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**Loan Options\***

Federal Perkins Loan	\$ X,XXX
Federal Direct Subsidized Loan	X,XXX
Federal Direct Unsubsidized Loan	X,XXX

\*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.

**For more information and next steps:**  
University of the United States (UUS) Financial Aid Office  
123 Main Street  
Anytown, ST 12345  
Telephone: (123) 456-7890  
E-mail: financialaid@uus.edu

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**Other options**

Family Contribution	\$X,XXX / yr
<small>(As calculated by the institution using information reported on the FAFSA or to your institution.)</small>	
<ul style="list-style-type: none"> <li>Payment plan offered by the institution</li> <li>Parent or Graduate PLUS Loans</li> <li>American Opportunity Tax Credit*</li> </ul>	<ul style="list-style-type: none"> <li>Military and/or National Service benefits</li> <li>Non-Federal private education loan</li> </ul>

\*Parents or students may qualify to receive up to \$2,500 by claiming the American Opportunity Tax Credit on their tax return during the following calendar year.





# The Cycle of Financial Aid

Oct - March - Complete FAFSA application, college search, college application process, and CSS Profile

February - May - Schools send award letters

June -July - School sends Fall Semester bill





# Where Do I Go From Here?

- Obtain and review admission, financial aid materials and deadlines from each school to which you are applying
- Meet all application deadlines
  - CSS Profile if applicable
  - Complete the FAFSA and any other application materials required by the school or your state agency - NJ State deadlines are:
    - TAG Renewal Students – April 15, preceding the academic year for which aid is requested
    - All Other Applicants – September 15 for Fall and Spring term awards; February 15– Spring awards only



# Other Resources

- Outside Scholarships
- Campus Administered Payment Plans
- Campus Employment
- Specialized Campus Opportunities
  - ✓ Residential Advisors
  - ✓ Student Ambassadors
  - ✓ Student Tour Guides
  - ✓ Internships/CO-OP'S







# Private Scholarship Search

- Institution/college web sites
- Local library resources
- Local businesses, civic organizations and churches
- Parent's employer(s)
- [www.hesaa.org](http://www.hesaa.org)
- [www.fastweb.com](http://www.fastweb.com)
- [www.collegeboard.org](http://www.collegeboard.org)
- [www.mappingyourfuture.org](http://www.mappingyourfuture.org)





# NJBEST

## College Savings Plan

- NJBEST is the only 529 Savings Plan to award a scholarship ranging from \$500-\$1,500
- Funding for NJBEST scholarships comes from HESAA
- Earnings on the NJBEST Plan are tax free when used to pay for the qualified higher education expenses of an NJBEST beneficiary
- Limit how much can be contributed annually





# HESAA Services

- Web Sites
  - [www.hesaa.org](http://www.hesaa.org)
  - [www.njgrants.org](http://www.njgrants.org)
  - [www.njclass.org](http://www.njclass.org)
- Customer Care Line
  - 609-584-4480**
- NJBEST
- [MappingYourFuture.org](http://MappingYourFuture.org)



# Questions?





# Thank you



Higher Education Student Assistance Authority

*We help students lay the  
foundation for a solid  
financial future*

