Affording Higher Education

California Lutheran University
Brianna Gomez, Financial Aid Counselor

Fall 2019
Oak Park High School

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Highlights

- Process of Financial Aid

- The Application

- Understanding Colleges Costs

- Types of Financial Aid

- Questions

Financial Aid Principles

- Financial Aid is designed to bridge the gap between what the school actually costs and what you can afford. Families should expect to pay a portion of the student's college costs

- Governmental Convention: To the extent that they are able, parents have the primary responsibility to pay for their dependent child's education

- Students also have a responsibility to contribute toward their educational expenses

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Dates and Deadlines

- 2020/21 FAFSA available October 1, 2019

- 2020/21 CA Dream App available October 1, 2019

- 2020/21 Cal Grant GPA verification and FAFSA deadline for Cal Grant eligibility March 2, 2020

- 2020/21 CA Dream Act Application deadline March 2, 2020

- Colleges may set FAFSA filing deadlines

- Ask all colleges you apply to if other forms or applications (e.g. CSS Profile) are required for financial aid

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CSS Profile

- Financial Aid application service of the College Board
- Available ONLY online: https://cssprofile.collegeboard.org/
- 2020/21 application available October 1, 2019
- The university will let you know if this is a required form
- Cost: $25 for initial application & sent to 1 school. $16 for each additional school
- Some of the 200 schools that use the CSS Profile are: USC, Stanford, Scripps, Cal Tech, Occidental, UCSF, Westmont, Duke, Princeton, Amherst and others

The FAFSA

- **Free Application for Federal Student Aid** (FAFSA)

  - Go to https://studentaid.ed.gov/sa/fafsa to apply on-line

  - FAFSA collects demographic and financial information about the student and his or her family and calculates an Expected Family Contribution (EFC)

  - The EFC is a measure of your family's financial strength; it is used by a college to calculate the amount of federal student aid a student is eligible to receive

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Preparing to Apply

- FAFSA – Students/parents need to set up an FSA ID and password
  - https://fsaid.ed.gov/npas/index.htm

- Student and Parent must have their own FSA ID
  - Sign in with student's FSA ID
  - Parent FSA ID needed to use Data Retrieval Tool and to sign the FAFSA
- Ways to apply:
  - Online at www.fafsa.ed.gov ***recommended***
  - Paper version (paper signature option available)
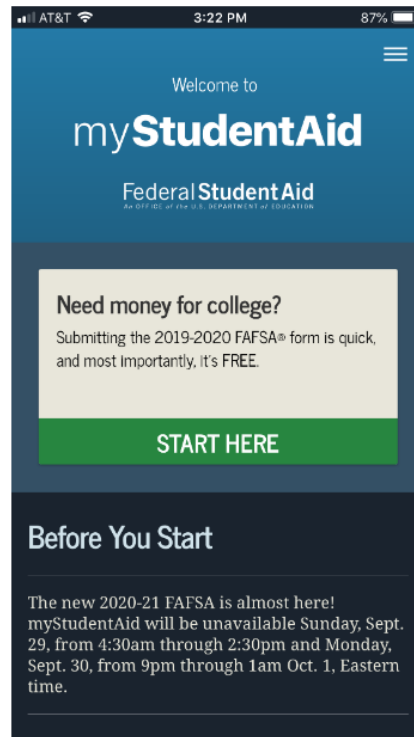 - FAFSA on your phone

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Reasons to Apply Online

- Built-in edits to prevent costly errors

- Skip logic allows student and/or parent to skip unnecessary questions

- More timely submission of original application and any necessary corrections

- More detailed instructions and "help" for common questions

- Ability to check application status on-line

- Simplified application process in the future

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Apply on your phone!

Available in the App Store
Under
Federal Student Aid

FAFSA Highlights

- Application available October 1st

- Will ask for tax and income information from your completed **2018** federal tax return

- Because **2018** taxes will already be filed/completed, the IRS Data Retrieval Tool(DRT) will be available to use

- Security measures in place to protect information that is transferred through the DRT

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Parent Tax Filing Status

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

PARENT INFORMATION

✓ Application was successfully saved.

ℹ **Attention!** You must provide financial information from your parents' **2017 tax return** on the following pages.

For 2017, have your parents completed their IRS income tax return or another tax return? ?

> Already completed ⌄

For 2017, what is your parents' tax filing status according to their tax return? ?

> Married-Filed Joint Return ⌄

Did your parents file a Puerto Rican or foreign tax return for 2017? ?
○ Yes ● No

⠿ IRS Data Retrieval Tool

Applying is faster and easier if your parents transfer their tax return information into this FAFSA with the IRS Data Retrieval Tool (IRS DRT)!

LINK TO IRS ⇄

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Parent Log In to IRS DRT

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

PARENT INFORMATION

You, the parent, should enter the information below and click **Next** to continue. Otherwise, click **Skip IRS DRT**.

If you have any questions or problems using this tool, click FAFSA Help for assistance.

Provide Parent's FSA ID

Which parent are you?
◉ Parent 1   ○ Parent 2   ❓

Parent's FSA ID Username or Verified E-mail Address   ❓

Pas0002

Forgot Username | Create an FSA ID

Parent's FSA ID Password   ❓

••••••••

Forgot Password

🔲 SKIP IRS DRT   NEXT ❖

Parent Leaving FAFSA

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

PARENT INFORMATION

Leaving *FAFSA on the Web*

You, the parent, are now leaving *FAFSA on the Web* and will be transferred to the IRS Web site. Your FAFSA information will be saved.

Your saved FAFSA will automatically open either when you transfer your information from the IRS or choose to return to *FAFSA on the Web* from the IRS Web site. If you do not transfer your information or choose not to return to *FAFSA on the Web* from the IRS Web site, you will have to log in to open your saved FAFSA.

For your protection, your tax return information will not display on the IRS Web site or on the FAFSA.

🔲 SKIP IRS DRT   PROCEED TO IRS SITE ❖

Site Last Updated: Sunday, September 30, 2018   Download Adobe Reader

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IRS.gov

2017 Federal Income Tax Information

Gdit Data

Based on the information you provided, the Internal Revenue Service (IRS) located your income tax return. With your permission below, the IRS will securely transfer your tax information to the U.S. Department of Education (ED) to populate any applicable FAFSA® questions.

For your protection, the IRS will not display your tax information and will further encrypt any tax information transferred using the IRS DRT; therefore, ED is unable to display your tax information on your FAFSA form.

The data retrieved from your tax return is limited to the items listed below as you reported to the IRS:

Tax Year	Type of Return Filed	Untaxed Pensions
Name(s)	Adjusted Gross Income	Untaxed IRA Distributions
Social Security Number	Income Earned from Work	Tax-exempt Interest Income
Filing Status	Income Tax	IRA Deductions and Payments
IRS Exemptions	Education Credits	Status of Amended Returns Received

Refer to your tax records if you have a question about the values you reported.

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

Transfer My Tax Information into the FAFSA Form ❓

☐ The tax information provided to fafsa.gov will populate the answers to the appropriate FAFSA questions. After the FAFSA questions are populated, your IRS session will end, and you will return to your FAFSA form. Check this box if you are choosing to transfer your information.　　　[Transfer Now] ❓

Do Not Transfer My Tax Information and Return to the FAFSA Form ❓

☐ 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 form.　　　[Do Not Transfer] ❓

IRS Privacy Policy

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FAFSA REMINDERS

- Data is sent to all schools listed on the FAFSA

- Student must enter a California school first on the FAFSA for data to be sent to the California Student Aid Commission (CSAC) to determine if student is eligible for a Cal Grant

- Students will receive a Student Aid Report (SAR) once the FAFSA is completed

- Approximately 103 questions, of which only 29 are related to income and assets

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Special Circumstances

- Cannot report on FAFSA

- Call the Financial Aid Office to determine institution's policy on applying for a "Special Circumstance" – many will require a written explanation and additional documentation

- Reasons for submitting a Special Circumstance appeal
  - Change in employment status/high medical expenses/death of a parent
  - Student cannot obtain parent information

Reapplying Each Year

- You must complete a new FAFSA each year you intend to receive financial aid

- Since each FAFSA asks for the tax information from 2 year's prior, your award can vary from year to year

Understanding College Costs

- Direct costs: Tuition, fees, housing, meals, etc.

- Indirect costs: Books, transportation, etc.

- Direct costs + Indirect costs = Cost of Attendance (COA)

- COA varies widely from college to college

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Calculation of Financial Aid

Cost of Attendance

- Expected Family Contribution

= Financial Need

- Because COA varies widely from college to college, Financial Need will also vary depending on the college

Calculation of Financial Aid, cont'd

Examples of Financial Need at California colleges/universities (2018-19 average costs)

- Cost of Attendance $61,599 (private university)
  - EFC 4,000
  Financial Need $57,599

- Cost of Attendance $34,700 (UC)
  - EFC 4,000
  Financial Need $30,700

- Cost of Attendance $25,716 (CSU)
  - EFC 4,000
  Financial Need $21,716

- Cost of Attendance $12,946 (community college)
  - EFC 4,000
  Financial Need $ 8,946

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Sources of Financial Aid

- Federal government
  - Largest source of financial aid
  - Must complete the FAFSA every year
- States
  - Usually have residency requirements
- Colleges/Universities
  - Offer both merit and need-based aid
- Private sources
  - Small awards add up!

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Types of Financial Aid

Grants

- Federal Pell Grant - $6195 maximum for 2020/21 **ESTIMATED**
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Institutional Grants

- Cal Grant
  - CA residency requirement, March 2nd Deadline
  - "A" is typically awarded at Universities
  - "B" is typically awarded at Community Colleges
  - "C" is for vocational programs

- Cal Grant for AB540 students - https://dream.csac.ca.gov/
  - 2020/21 Dream Application available October 1, 2019

Cal Grant

2020/21 Tentative Award amounts

Cal Grant A:
$12,630 – UC schools
$ 9,084 – private universities
$ 5,742 – CSU schools

Cal Grant B:
$1672 for year one, then includes Cal Grant A amounts for years 2-4

Cal Grant C:
Up to $547 for books, tools, equipment, and up to $2462 for tuition and fees at a trade or technical school
(not a community college)

Cal Grant, cont'd

2020-21 CAL GRANT PROGRAM INCOME CEILINGS		
	Cal Grant A and C	Cal Grant B
Dependent students and		
Independent students with dependents other than a spouse		
Family size:		
Six or more	$123,100	$67,600
Five	$114,100	$62,600
Four	$106,500	$56,000
Three	$98,000	$50,300
Two	$95,700	$44,700
Independent students		
Single, no dependents	$39,000	$39,000
Married, no other dependents	$44,700	$44,700

2020-21 CAL GRANT PROGRAM ASSET CEILINGS	
Dependent students [1]	$82,400
Independent students	$39,200

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Work Study

- Federal Work-Study
  – Need based
  – Self-help aid
  – Gives students the opportunity to work on-campus
  – Each college awards according to different criteria

Loans

- Federal Direct Loans: 4.53% (for 2019/20)
    - Subsidized (Need based)
    - Unsubsidized (Non-need based)

- Federal Direct Parent PLUS Loan: 7.08% (for 2019/20)
    - Credit Check Required (Non-need based)

- Alternative/Private Loan (Non-need based)
    - Variable or fixed interest rate based on credit

- CA Dream Loan Program - For students who meet the AB540 requirements, file a Dream App, have financial need and are attending a UC/CSU
    - Interest rate matches the federal Direct Loan interest rate
    - Maximum annual loan amount - $4000 (determined by school)
    - Maximum aggregate loan amount $20,000
    - Subsidized Loan
    - No separate loan application

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Scholarships

- Institutional Scholarships
  - Merit (GPA and test scores)
  - Skill/Unique characteristic/Major (Fine Arts)
  - Athletic
  - Other (e.g. Cal Lutheran Public Price Promise)

- Outside Scholarships
  - Civic and Local organizations
  - Churches
  - Employers
  - Private sources: (i.e. fastweb.com)

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CA Middle Class Scholarship

The Middle Class Scholarship (MCS) is a state of CA funded program that provides undergraduate students with family incomes and assets up to $171,000 a scholarship to attend University of California (UC) or California State University (CSU) campuses

- **Students must meet the following requirements:**

  Be a California resident attending a UC or CSU; be a U.S. citizen, permanent resident or have AB 540* student status; meet certain income and other financial aid standards; maintain satisfactory academic progress; not be in default on a student loan; and, must not be incarcerated

- **Apply:**

  Complete a 2020/21 Free Application for Federal Student Aid (FAFSA) online at https://studentaid.ed.gov/sa/fafsa on/after October 1, 2019 or the California Dream Act Application at www.caldreamact.org . Use the California Dream Act Application if you do not have a Social Security number (SSN) or if you have a Deferred Action for Childhood Arrivals (DACA) number. Make sure your email address is listed on your FAFSA or California Dream Act Application

- **If your family has income and assets up to $171,000 per year:**

  You may be eligible for a scholarship of no less than 10% and no more than 40% of the mandatory system wide tuition and fees: The maximum award amount is a lesser percentage of mandatory system wide tuition and fees for 2020/21

- **MCS scholarships are not set amounts and may vary by student and institution:**

  The award is determined after you are awarded any federal Pell Grant, Cal Grant and institutional need-based grants for which you are eligible. The final award amount will be based on the number of students eligible for the MCS statewide and the funding allocated by the State Budget

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Outside Scholarships

- Cal Lutheran's Outside Scholarship Page:
  - https://www.callutheran.edu/financial-aid/scholarships-grants/outside-scholarships.html
- Scholarship search websites:
  - Fastweb.com
  - Scholarships.com
  - Collegeexpress.com
  - Academicinvest.com
  - College-scholarships.com
  - Gocollege.com

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Another Resource

- **Western Undergraduate Exchange (WUE)**
  - Offered through Western Interstate Commission for Higher Education (WICHE)
  - Available to students in 16 western states and territories
  - Out-of-state students pay no more than 150% of in-state tuition at participating colleges/universities, compared with out-of-state rates that can exceed 300% of in-state tuition
  - Eligible students must be from a WICHE member state
  - More than 160 participating institutions
    - https://wiche.edu/wue

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Financial Aid Websites

FAFSA: https://studentaid.ed.gov/sa/fafsa
FAFSA application, FAFSA renewal application, Apply for PIN

Cal Grant: www.calgrants.org
Information on Cal Grant programs, Monitor your Cal Grant application

College Board: www.collegeboard.org
CSS/Financial Aid Profile, Financial Tip Sheets, General Financial Aid Information

Fin Aid: www.finaid.org
Financial aid information in English (not in Financial Aid speak!)

Fast Web: www.fastweb.com
Scholarship search site

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Questions

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