What You Need to Know About Financial Aid

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OCTOBER 2024

Topics We Will Discuss

- WHAT IS FINANCIAL AID?
- COST OF ATTENDANCE (COA)
- STUDENT AID INDEX (SAI)
- NET PRICE – WHAT YOU HAVE TO PAY
- CATEGORIES, TYPES AND SOURCES OF ASSISTANCE
- THE APPLICATION PROCESS

What is Financial Aid?

- Financial aid is funds provided to students and families to help pay for postsecondary educational expenses

- Can include loans and jobs as well as scholarships or grants

- Need-Based and Non-Need-Based (Merit) aid is available

How much financial aid can I get?

- The amount of aid you can receive depends on two things:
  - **The Cost of Attendance (COA)**
    - Determined by the school. It includes:
      - Direct Costs
      - Indirect Costs
  - **The Student Aid Index (SAI)**
    - Calculated based on your financial aid application
    - Determines eligibility for need-based aid

- These things may vary widely from college to college

What is Cost of Attendance (COA)?

Tuition and fees

Housing and food (living expenses)

Books, course materials, supplies and equipment

Transportation

Miscellaneous and personal

Sample COA's – Stanford University

2024-2025

Direct Costs Charged by Stanford

Tuition	$65,127
Room & Board	21,315
Student Fees	2,400

Other Estimated Costs

Books & Supplies	825
Personal Expenses	3,225
Travel	Varies
Total	$92,892

UC Berkeley 2024-2025 Cost of Attendance

Living Arrangement for 2024–25:	Living in a Campus Residence Hall	Living in an On-Campus Apartment	Living in an Off-Campus Apartment	Living with Relatives
Tuition and Fees	$16,608	$16,608	$16,608	$16,608
Living Expenses	$21,508	$18,760	n/a	n/a
Student Health Insurance Plan	$4,028	$4,028	$4,028	$4,028
Total Direct Undergraduate Costs	$42,144	$39,396	$20,636	$20,636

Total Cost of Attendance *(including Personal Expenses*)*	$48,638	$49,468	$43,990	$34,760

2024– 2025 STUDENT BUDGET
UNDERGRADUATE STUDENTS

**TUITION & CAMPUS FEES (6.1 or more units)	$8,410		
STANDARD STUDENT BUDGET ALLOWANCES	WITH PARENTS	CAMPUS HOUSING*	OFF CAMPUS
FOOD AND HOUSING	$11,493	$20,971	$22,086
TRANSPORTATION	$1,791	$1,233	$1,962
MISCELLANEOUS / PERSONAL	$4,059	$3,213	$4,968
BOOKS & SUPPLIES	$1,062	$1,062	$1,062
UNDERGRADUATE TOTAL	**$26,815**	**$34,889**	**$38,488**

Student Aid Index (SAI)

Computed amount based on family finances

Calculated using FAFSA (Free Application for Federal Student Aid) data and a federal formula

Some schools may use the CSS Profile Application and an institutional formula for awarding their own aid

Student contribution

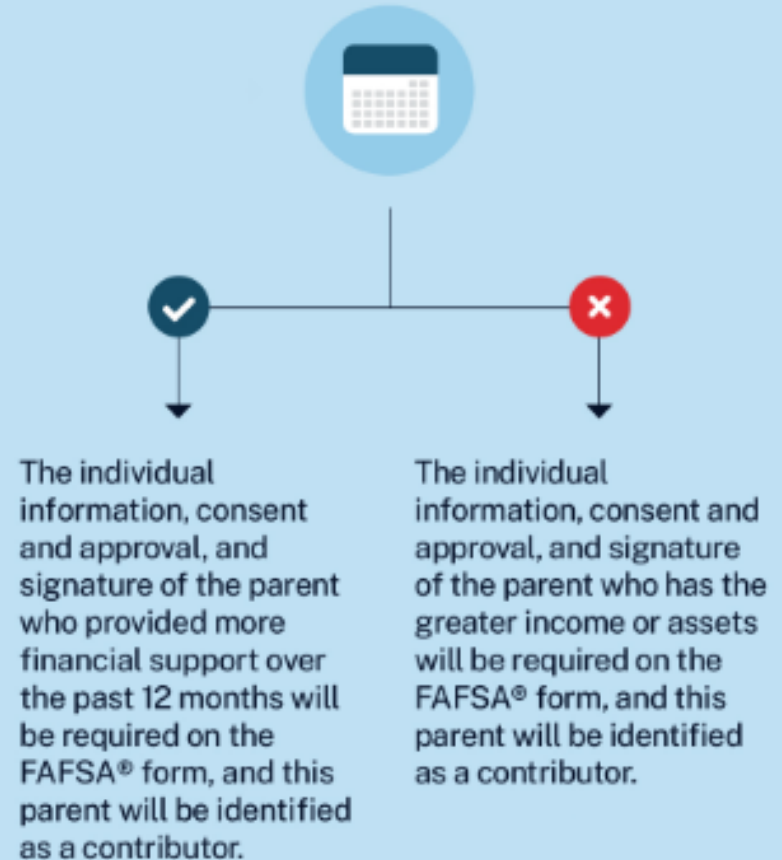Parent contribution

(for dependent students)

Dependency Status

- Determines whether parents must "contribute" information on the FAFSA for their undergraduate.
- Undergraduates are dependent (parent info required) unless:
  - 24 by January 1 of the academic year
  - Married
  - Have dependents (who live with the student and receive more than half of their support from the student)
  - Veteran or active duty in US Armed forces
  - Since age 13, in foster care or ward of the court or orphaned
  - An Emancipated Minor or in a legal guardianship as determined by a court
  - An unaccompanied youth who is homeless or self-supporting and at risk of homelessness
- This definition is for Federal Aid. Schools may still ask for parent information to award institutional aid

Which Parent?

- In cases of divorce or separation, for federal aid it is the parent who provides the most support to the student.
  - If that parent has remarried, the step-parent information is also required.
  - Schools may ask for information from the non-custodial parent for the purpose of awarding institutional need-based aid.
  - https://studentaid.gov/apply-for-aid/fafsa/filling-out/parent-info

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Did one parent provide more financial support than the other over the past 12 months?

The individual information, consent and approval, and signature of the parent who provided more financial support over the past 12 months will be required on the FAFSA® form, and this parent will be identified as a contributor.

The individual information, consent and approval, and signature of the parent who has the greater income or assets will be required on the FAFSA® form, and this parent will be identified as a contributor.

Parent Contribution

- Measure of family Financial Strength
- Calculated based on Parent Income and Assets
- Standard Allowances are made for
  - Living expenses (based on family size)
  - Federal and state taxes

- 2023 tax year is the "base year" for 2025-2026 academic year

Student Contribution

- Calculated based on Student's Assets and Income
- Federal analysis expects 20% of assets in student's name to be available for educational expenses each year

Why is this calculation important?

- Parent and Student Contributions are used for awarding Need-Based Aid

- "Need" is the difference between Cost of Attendance and Expected Family Contribution or SAI. That number is the maximum need-based aid that can be awarded.

What is "Net Price"?

COST OF ATTENDANCE

–   SCHOLARSHIPS/GRANTS (GIFT MONEY)

= NET PRICE (WHAT YOU'LL HAVE TO PAY)

- Review each college Net Price Calculator
- Federal Student Aid Estimator
  - https://studentaid.gov/aid-estimator/

Types of Financial Aid

SCHOLARSHIPS/GRANTS
LOANS
STUDENT EMPLOYMENT

Loans

Scholarships

Self-Help Aid

Gift Aid

Work-Study Employment
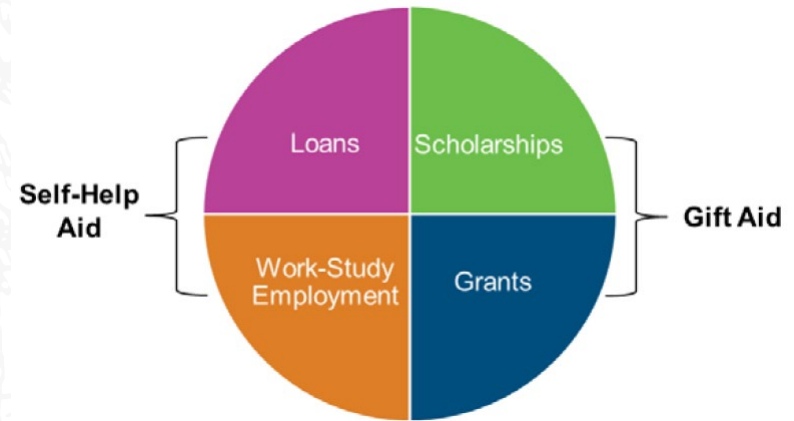
Grants

Scholarships/Grants

- Money that does not have to be paid back
- Scholarship- Usually awarded on the basis of merit, skill, or a unique characteristic
- Grant- Usually awarded on the basis of financial need

Loans

- Money students and parents borrow to help pay educational expenses
- Repayment usually begins after education is finished – look at federal programs first
- Current (federal) interest rates start at 6.5%
- Only borrow what is really needed
- Look at loans as an investment in the future

Student Employment

- Allows student to earn money to help pay educational costs

- Working part-time is helpful for most students; Working too much can affect grades!

Sources of Financial Aid
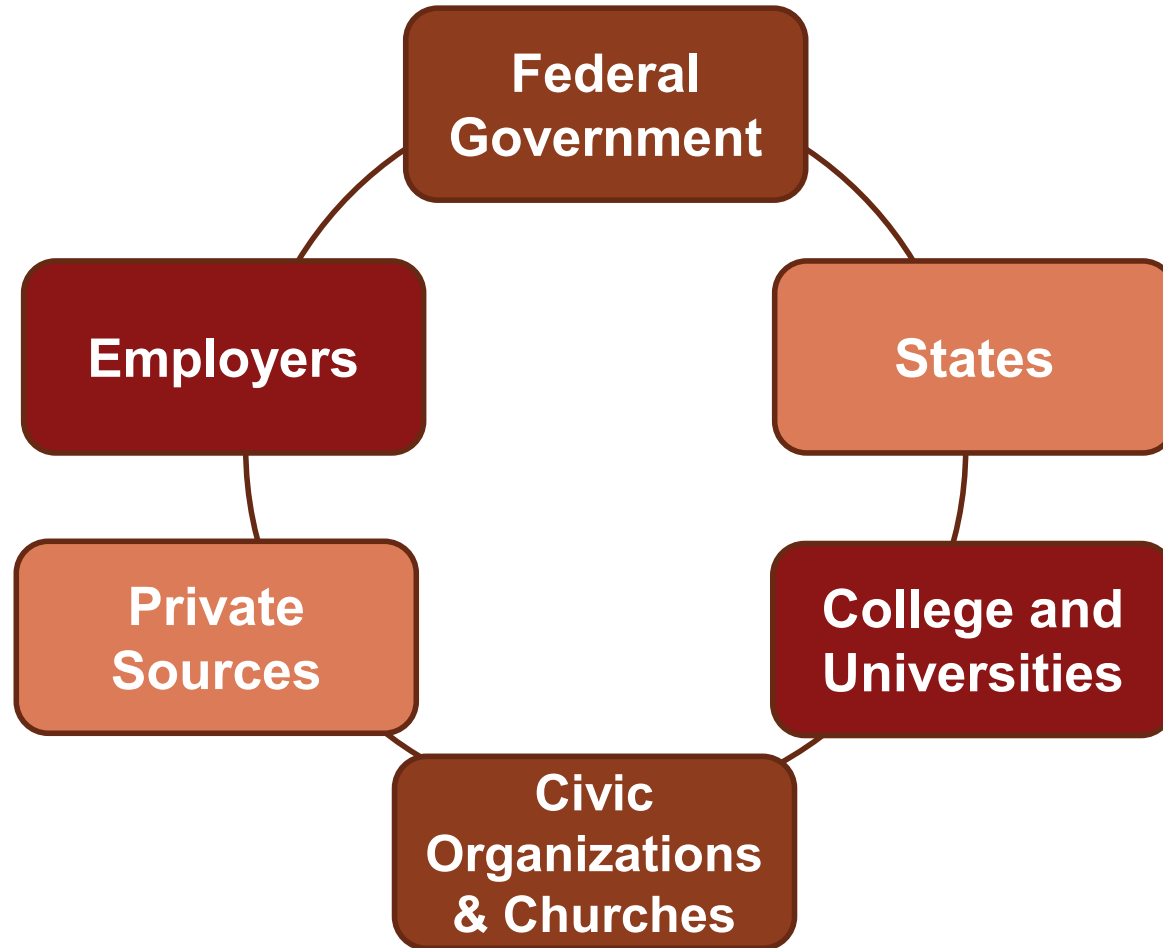
Federal Government

- Largest source of financial aid
- Student must be a US Citizen or Permanent Resident
- Aid awarded primarily on the basis of financial need
- Must apply every year using the FAFSA
- Studentaid.gov
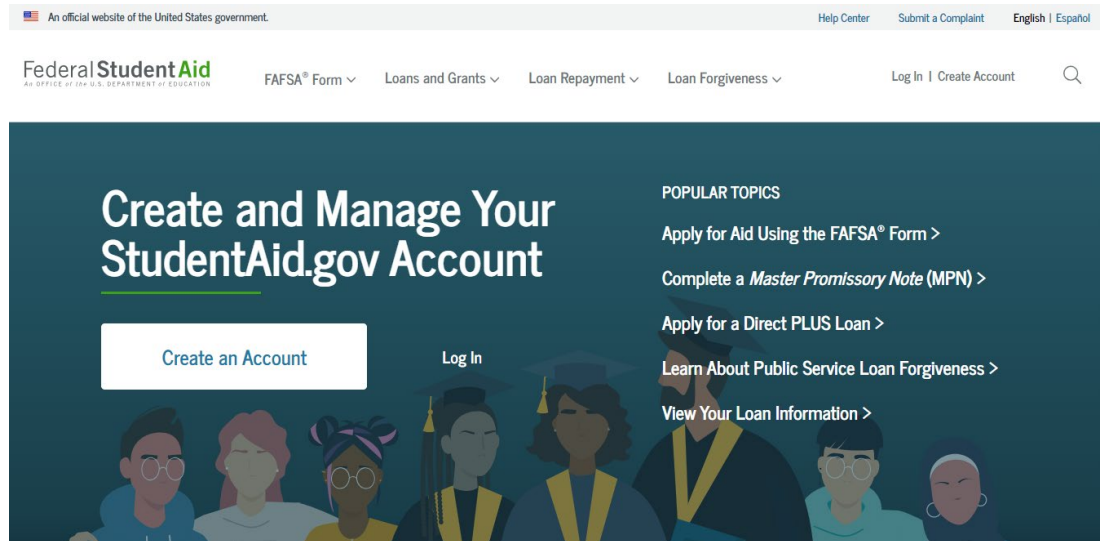
State Student Aid Programs

- California Student Aid Commission (www.csac.ca.gov)
  - CA Community Colleges Board of Governors Fee Waiver
  - Middle Class Scholarship (UC/CSU Only)
  - Cal Grants (full fees at UC/CSU, $9,000+ at private non-profits in CA)

- Application Deadline is typically March 2nd
  - FAFSA (for US Citizen/Perm Resident) listing a CA College, & GPA Verification (which your high school will submit on your behalf)
  - California Dream Act Application (dream.csac.ca.gov) for undocumented students who attended CA high schools

2025 26 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	$157,100	$86,300
Five	$145,700	$79,900
Four	$135,900	$71,500
Three	$125,100	$64,200
Two	$122,100	$57,000
Independent students		
Single, no dependents	$49,800	$49,800
Married, no other dependents	$57,000	$57,000

2025 26 CAL GRANT PROGRAM ASSET CEILINGS

Dependent students [1]	$105,200
Independent students [2]	$50,000

Colleges and Universities

- Award aid based on both merit and need
- Aid may be gift aid or loans/work
- Deadlines and application requirements vary by institution
- Many have funds for non-US Citizens

Private Scholarships

- Research what is available in community or through employers

- Application process usually senior year – start early!

- Internet databases – https://bigfuture.collegeboard.org/scholarship-search, www.scholarships.com

- Your high school is a good source for information about local scholarships

- Small scholarships add up!
  - opportunity.collegeboard.org - earn scholarships just for completing college application steps
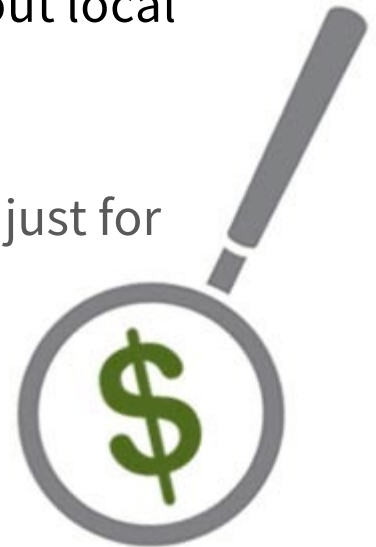
The Application Process

FAFSA
CSS PROFILE

Free Application for Federal Student Aid (FAFSA®)

- www.studentaid.gov (select FAFSA Form tab)

- A standard form that collects demographic and financial information about the student and family

- Required by all schools awarding federal aid

- Available in English and Spanish

- **2025-26** FAFSA will be available December 1, 2024

FAFSA Online

Federal **Student Aid**
An OFFICE of the U.S. DEPARTMENT of EDUCATION

FAFSA® Form ⌄   Loans and Grants ⌄   Loan Repayment ⌄   Loan Forgiveness ⌄

FAFSA® 2025–26 Coming Soon

We're working to launch the new 2025–26 FAFSA form. Learn more about the new form timeline.

Need the 2024–25 FAFSA form?

Log In To Start a New Form | Log In To Edit Existing Forms

FAFSA® form

StudentAid.gov Username and Password

- Used for FAFSA completion and access to certain U.S. Department of Education websites

- Student and parent must create own StudentAid.gov Account– with their own email address

- May be used throughout financial aid process, including subsequent school years

Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to apply for, receive, and manage your federal student aid.

Get Started

Already have an account? Log In

What You Can Do With Your Account

You must have an account to do the following:

- Fill out the *Free Application for Federal Student Aid* (FAFSA®) form online

- Complete other online forms (such as the *Master Promissory Note*) required to receive aid

- Review the federal student aid you've received

What You'll Need

- Your Social Security number (if applicable)

- Your own email address

FAFSA Tips

- Remember: It is the Student's Application!
  - The student invites the parents to complete
  - The student will have a dashboard
- You can check application status on-line and add additional schools as a "Returning User"
- Help text for each question
- Virtual Assistant
- Free help available: 1-800-4-FED-AID

Future Act Direct Data Exchange (FA-DDX)

- Requires federal tax information (FTI) to be directly transferred from the IRS to the FAFSA

- ***Consent is required by all contributors on FAFSA***

- IRS transfers information to populate FAFSA income questions for most tax filers

- Eliminates manual entry of tax and income information

FAFSA Questions

Parent (Contributor)

- Identity and Contact Information
- Marital status
- State of legal residence
- Receipt of means-tested federal benefits in the previous two years
- Tax filing status
- Consent for IRS transfer of data
- Family size and number in college
- Assets

Student (Applicant)

- Demographic information
- Citizenship status
- Parents' education status
- Parent killed in line of duty
- High School information
- Consent for IRS transfer of data
- Assets

FAFSA Submission Summary

- Four sections:
  - › Eligibility Overview
  - › FAFSA Form Answers
  - › School Information
  - › Next Steps
- Ability to print summary

- Federal Processor sends results to colleges listed on the FAFSA
- Colleges review and may request additional documentation

Special Circumstances

Medical expenses not covered by insurance

Change in Employment Status or Income due to COVID-19

Change in Parent Marital Status

Unusual Expenses for other children, support for extended family

Non-discretionary expenses that affect your ability to pay for College

- Must report 2023 income on the FAFSA, both parents data on the FAFSA, etc.
- Contact the College your child is likely to attend.
- They may request additional documentation (2024 income for example).
- College's decisions cannot be appealed to the US Department of Education.

CSS Profile Application - cssprofile.collegeboard.org

CSS Profile

Each year CSS Profile unlocks access to more than $10 billion in nonfederal aid to thousands of students.

Sign in to Fall 2024/Spring 2025   Sign in to Fall 2023/Spring 2024

- Application for non-federal aid maintained by the College Board
- Typically required by schools that are awarding large amounts of institutional aid
- There is a cost - $25 for first school, $16 for all additional schools. Free if family income is less than $100K or received fee waiver for SAT
- Some Profile Schools also use IDOC (Institutional Documentation Service); you'll be invited after Profile is submitted
- Available October 1

Helpful Web Sites

Applications

- FAFSA.gov
- cssprofile.collegeboard.org
- Studentaid.gov
  - studentaid.gov/apply-for-aid/fafsa/filling-out
- CSAC.CA.gov
- Dream.CSAC.CA.gov
- Federal Student Aid YouTube Channel for videos about the application process, Loans, etc.

Scholarship Search

- bigfuture.collegeboard.org
- Scholarships.com
- Goingmerry.com

Statistics/Calculators

- BigFuture.org
- CollegeNavigator.gov
- MyInTuition.org

Thank You!

RON DIAZ
STANFORD FINANCIAL AID OFFICE