

Paying Your Way

Student Financial Aid Programs

Office of Student Financial Aid
Montgomery College
Title IV Code 006911

Discussion Topics

- ▶ What is Financial Aid?
- ▶ Cost of Attendance
- ▶ Expected Family Contribution
- ▶ Determining Financial Need
- ▶ Types and Sources of Financial Aid
- ▶ Financial Aid Process (FAFSA & Worksheet)
- ▶ Follow-up Steps/Resources
- ▶ Questions & Answers



What is Financial Aid?

- ▶ Funds provided to students and families to help pay for postsecondary educational expenses




What is Cost of Attendance (COA)?

- ▶ Tuition and fees
- ▶ Room and board
- ▶ Books and supplies
- ▶ Transportation
- ▶ Miscellaneous personal expenses
- ▶ Costs vary widely from college to college



What is Expected Family Contribution (EFC)?

- ▶ Amount family can reasonably be expected to contribute towards student's educational costs
 - ▶ Two components
 - Parent contribution
 - Student contribution
 - ▶ Calculated using data from a federal application form (FAFSA) and a federal methodology
 - ▶ Stays the same regardless of educational institution
- 

What is Financial Need?

Cost of Attendance (COA)

– Expected Family Contribution (EFC)

= Financial Need



Financial Need Depends on Cost

Private 4-year

COA \$42,979
- EFC \$12,000
= Need \$30,979

Public 4-year

COA \$22,953
- EFC \$12,000
= Need \$10,953

Public 2-year

COA \$16,068
- EFC \$12,000
= Need \$4,068

Types of Financial Aid

Gift Aid

- Grants
- Scholarships

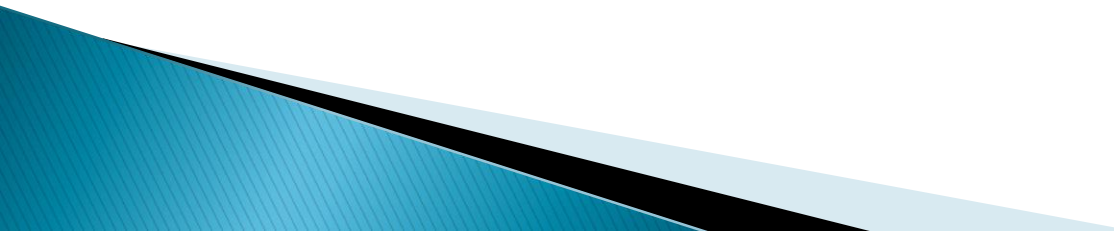
Self-Help Aid

- Employment
- Loans

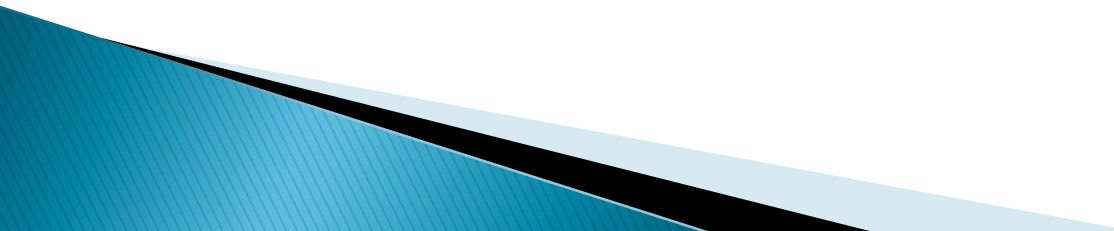
Grants

- ▶ Money that does not have to be paid back
- ▶ Usually awarded on the basis of financial need

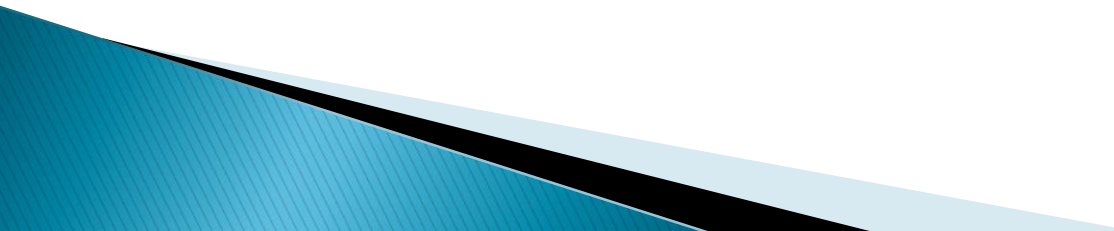
Scholarships

- ▶ Money that does not have to be paid back
 - ▶ Awarded on the basis of merit, skill or unique characteristic
 - ▶ May also be awarded on basis of need
- 

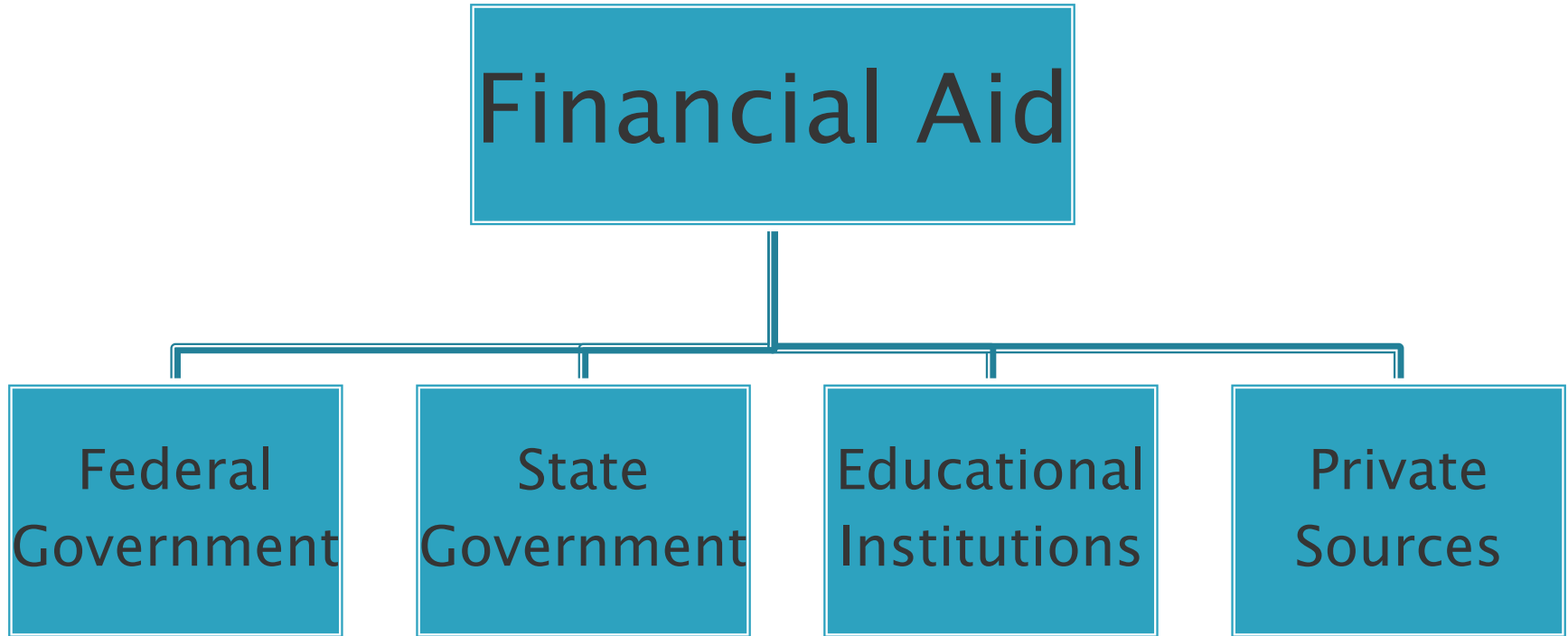
Employment

- ▶ Program provides students with employment
 - ▶ Earned while attending school
 - ▶ Employment assignment can be on or off campus
 - ▶ Money does not have to be repaid
- 

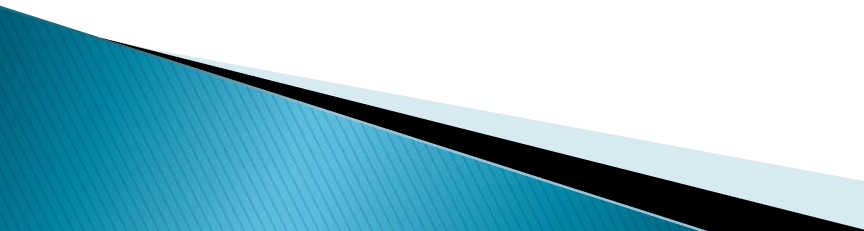
Loans

- ▶ Money students and parents borrow to help pay postsecondary educational expenses
 - ▶ Repayment usually begins after education is completed or when enrollment falls below required enrollment status
 - ▶ Only borrow what is needed
- 

Sources of Financial Aid




Federal Government

- ▶ Largest source of financial aid
 - ▶ Aid awarded primarily on the basis of need
 - ▶ Complete the Free Application for Federal Student Aid (**FAFSA**)
 - ▶ For the 2012–2013 academic year, the FAFSA may be filed beginning **January 1, 2012**
 - ▶ FAFSA **must be renewed every year** the student is enrolled
- 

Federal Government

Basic Eligibility Requirements:

- ▶ Be a U.S. citizen or eligible non-citizen
 - ▶ Have a valid Social Security number
 - ▶ Comply with Selective Service registration, if required
 - ▶ Have a high school diploma, GED certificate or pass an approved ability-to-benefit (ATB) test
 - ▶ Be working toward a degree or certificate in an eligible program at a school that participates in the federal student aid programs
 - ▶ Maintain satisfactory academic progress once enrolled
- 

Federal Aid Programs

- ▶ Federal Pell Grant
- ▶ Federal Supplemental Educational Opportunity Grant
- ▶ Teacher Education Assistance for College & Higher Education Grant
- ▶ Federal Work–Study
- ▶ Federal Perkins Loan
- ▶ Federal Direct Loans (Stafford Subsidized & Unsubsidized)
- ▶ Direct PLUS Loan

DO YOU NEED MONEY FOR COLLEGE?

Federal Student Aid at a Glance 2011–12

More than \$150 billion available in federal aid for students who qualify.

WHAT IS FEDERAL STUDENT AID?

Federal student aid comes from the federal government—specifically, the U.S. Department of Education. It's money that helps a student pay for education expenses at a postsecondary school (e.g., college, vocational school, graduate school).

Federal student aid covers such expenses as tuition and fees, room and board, books and supplies, and transportation. Aid also can help pay for a computer and for dependent care.

There are three main categories of federal student aid: grants, work-study, and loans. Check with your school to find out which programs your school participates in.

WHO GETS FEDERAL STUDENT AID?

Our most basic eligibility requirements are that you must demonstrate financial need,

- be a U.S. citizen or an eligible noncitizen,
- have a valid Social Security number,
- register (if you haven't already) with Selective Service, if you're a male between the ages of 18 and 25,
- maintain satisfactory academic progress in postsecondary school, and
- show you're qualified to obtain a postsecondary education by
 - ▶ having a high school diploma or General Educational Development (GED) certificate;
 - ▶ passing an approved ability-to-benefit test (if you don't have a diploma or GED, a school can administer a test to determine whether you can benefit from the education offered at that school);
 - ▶ completing six credit hours or equivalent course work toward a degree or certificate;
 - ▶ meeting other federally approved standards your state establishes; or
 - ▶ completing a high school education in a homebased setting approved under state law.

HOW DO YOU APPLY FOR FEDERAL STUDENT AID?

1. Complete the Free Application for Federal Student Aid (FAFSA).

To FAFSA on the Web™, go to www.fafsa.gov. Using FAFSA on the Web is faster and easier than using paper.

If you need a paper FAFSA, you can get one from

- our website at www.fafsa.gov (download a PDF),
- our ED Help website at www.edhelp.gov, or
- our Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243).

You can apply beginning Jan. 1, 2011; you have until June 30, 2012, to submit your FAFSA. But you need to apply early! Schools and states often use FAFSA information to award nonfederal aid. Their deadlines are usually early in the year. You can find state deadlines at FAFSA on the Web or on the paper FAFSA. Check with the schools you're interested in for their deadlines.

2. Review your Student Aid Report (SAR).

After you apply, you'll receive a Student Aid Report or SAR. Your SAR contains the information reported on your FAFSA, and usually includes your Expected Family Contribution (EFC). The EFC is an index used to determine your eligibility for federal student aid. Review your SAR information and make any corrections or changes, if necessary. The school(s) you list on your FAFSA will get your SAR data electronically.

3. Contact the school(s) you might attend.

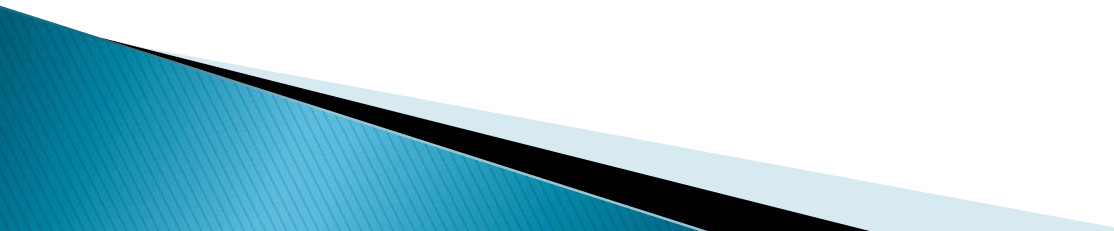
Make sure the financial aid office at each school you're interested in has all the information needed to determine your eligibility. If you're eligible, each school's financial aid office will send you an award letter showing the amount and types of aid from all sources the school will offer you. You can compare award letters from the schools to which you applied and see what aid you can receive from each school.

Have questions? Contact us at the following:
• 1-800-4-FED-AID (1-800-433-3243)
• 1-800-755-8913 (TTY for the hearing impaired)
• studentaid.gov
• www.studentaid.ed.gov
• a college financial aid office

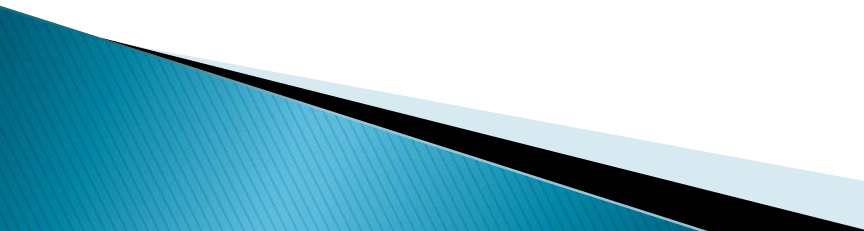
Federal Grant Programs

- ▶ **Federal Pell Grant**
 - Need-based grant for undergraduate students
 - Awards up to \$5,550 (2011–2012)
- ▶ **Federal Supplemental Educational Opportunity Grant (FSEOG)**
 - For undergraduate students with exceptional financial need
 - Awards up to \$4,000
- ▶ **Teacher Education Assistance for College & Higher Education Grant (TEACH)**
 - Elementary or secondary teacher career path
 - Does not have to be repaid unless student fails to carry out four year service obligation
 - Awards up to \$4,000

Federal Work–Study

- ▶ Campus–based employment program
 - ▶ Does not have to be repaid
 - ▶ For undergraduate and graduate students
 - ▶ Students are paid at least the federal minimum wage
- 

Federal Perkins Loan

- ▶ Undergraduate students can borrow up to \$5,500 annually
 - ▶ Interest rate - 5%
 - ▶ 9-month grace period; repayment period up to 10 years
 - ▶ Deferment and cancellation provisions exist for teaching and other types of public service
 - ▶ Offered to students who demonstrate financial need
- 

Federal Direct Loans

- ▶ Subsidized Stafford (need-based)
 - Interest rate – 3.4% for 11/12; 6.8% for 12/13
- ▶ Unsubsidized Stafford (not need-based)
 - Interest rate – 6.8%
- ▶ Annual and aggregated loan limits
- ▶ 6-month grace period, repayment period varies from 10–25 years
- ▶ Not credit-based

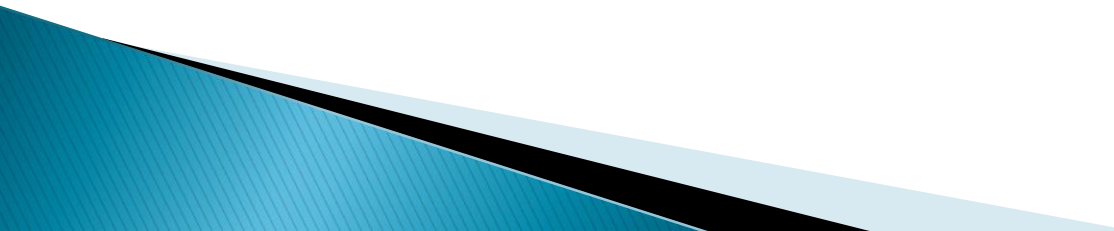
Federal Direct Loans

Year	Type of Loan	Dependent	Independent
1st Year Student	Subsidized	\$3,500	\$3,500
	Unsubsidized	\$2,000	\$6,000
2nd Year Student	Subsidized	\$4,500	\$4,500
	Unsubsidized	\$2,000	\$6,000
3rd & 4th Year Student	Subsidized	\$5,500	\$5,500
	Unsubsidized	\$2,000	\$7,000
Aggregate Loan Limits		\$31,000 (Max. \$23,000 Subsidized)	\$57,500 (Max. \$23,000 Subsidized)

Federal Direct PLUS Loan

- ▶ For parents of dependent undergraduate students
- ▶ Interest rate - **7.9%**
- ▶ Loan is not need-based
- ▶ No grace period
- ▶ Applicant must not have an adverse credit history
- ▶ Loan limits:
 - Annual: COA less all other aid

State Government

- ▶ Residency requirements
 - ▶ Awards based on need and merit
 - ▶ Deadlines vary by state; check paper FAFSA or FAFSA on the Web
 - ▶ Information on FAFSA used to determine eligibility
 - ▶ Follow-up with state agency to accept awards, complete state applications and turn in additional requested documents
- 

Maryland



Maryland Higher Education Commission

- ▶ State deadline: **March 1st**
- ▶ Maryland has financial aid programs based on financial need, merit and career track
- ▶ State aid may be used at public and private colleges/universities primarily in MD

MARYLAND
Maryland Higher Education Commission

Kevin M. O'Keefe, Chairman
Joann A. Boughtman, Vice Chairman
Patrice Alexander Ficklin
Mark R. Fraser
Anwer Hasin
Sandra L. Jirawicz
Lemona A. Jones
Nhora Barera Murphy
Chung K. Pak
Alexis S. Van Orden

James E. Lyons, Sr.
Secretary of Higher Education
Martin O'Malley
Governor
Anthony G. Brown
Lt. Governor

College 411
A Quick Guide to Cash
for College & How to Get It

2011
2012

Maryland Higher Education Commission
836 Bestgate Road, Suite 400
Annapolis, Maryland 21401
410.260.4500 • 800.074.0203
TTY 800.735.2258

MD. **411**

Maryland



Need based programs:

- ▶ Howard P. Rawlings
 - Educational Assistance Grant
 - Annual maximum award – \$3,000 (2011–2012)
 - Guaranteed Access Grant
 - Annual maximum award – \$13,700 (2011–2012)
- ▶ Part-time Grant
 - Annual maximum award – \$2,000 (2011–2012)

Maryland



Legislative Scholarships

▶ Senatorial Scholarships

- Award amount varies
- Contact your Senator for application

▶ Delegate Scholarships

- Award amount varies
- Contact your Delegate for application

Contact your Senator or Delegate in January for instructions and applications

Maryland



Unique Major

- ▶ Funds awarded for the Senatorial and Delegate scholarships may be used at an out-of-state institution only if the student's academic program is not offered at a Maryland institution
- ▶ Review website for more information on how to apply www.mhec.state.md.us

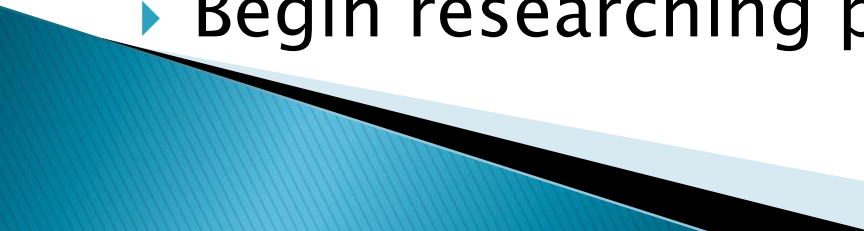
Institutional Aid Programs

- ▶ Colleges/universities offer their own grants and scholarships
- ▶ Need-based and merit-based programs
- ▶ Academic, athletic and other talent-based scholarships are available
- ▶ Institutional aid may awarded for freshman year only or renewable for subsequent years
- ▶ Contact the school's financial aid office during the fall for applications and deadlines



Private Sources of Student Aid

- ▶ Private businesses
 - ▶ Political and advocacy organizations
 - ▶ Religious and social organizations
 - ▶ Parent and student's place of employment
 - ▶ Foundations
 - ▶ Unions

 - ▶ Deadlines and application procedures vary widely
 - ▶ Begin researching private aid **early!!!**
- 

Private Sources of Aid

- ▶ Scholarship Books
 - Career Center
 - Public libraries
- ▶ Internet Scholarship Searches
 - Provide a student profile
 - Receive scholarship information
 - Contact scholarship providers directly
- ▶ Scholarship Websites
 - www.collegeboard.com/paying
 - www.fastweb.com
 - www.studentaid2.ed.gov
 - www.finaid.org



Scholarship Application Tips

- ▶ Start your research **early**
- ▶ Read eligibility requirements carefully
- ▶ Organize scholarship materials and applications carefully
 - Deadlines
 - Letters of recommendation
 - Transcripts
 - Essays
 - Standardized test scores
- ▶ Proofread applications carefully
- ▶ Make copies of everything you send
- ▶ Get your application in early

CSS/Financial Aid PROFILE

- ▶ Financial aid application service of The College Board
- ▶ Used to award private grants and scholarships
- ▶ Check for a listing of participating institutions/scholarship programs

www.collegeboard.com

2011-12
School Year



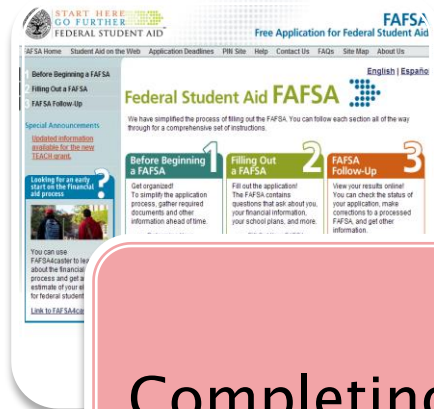
CSS/Financial Aid PROFILE® Student Guide

This guide provides the basic information you need to complete your PROFILE application at www.collegeboard.com beginning Oct. 1, 2010.

Financial Aid Process

FAFSA4caster
PIN
FAFSA Worksheet

Pre-FAFSA
Tasks



Completing
the FAFSA

SAR
Verification
Follow-up

Post-FAFSA
Tasks

Pre-FAFSA Tasks

- ▶ Get information about financial aid programs
- ▶ Apply for a Federal Student PIN (student and parent)
- ▶ Collect financial documents to complete FAFSA (previous year's income tax return, W-2 form and other records of income)
- ▶ FAFSA4caster – www.fafsa4caster.ed.gov
 - Early estimate of EFC
- ▶ FAFSA on the Web Worksheet

FAFSA on the Web Worksheet

2011 – 2012



FAFSA ON THE WEB WORKSHEET

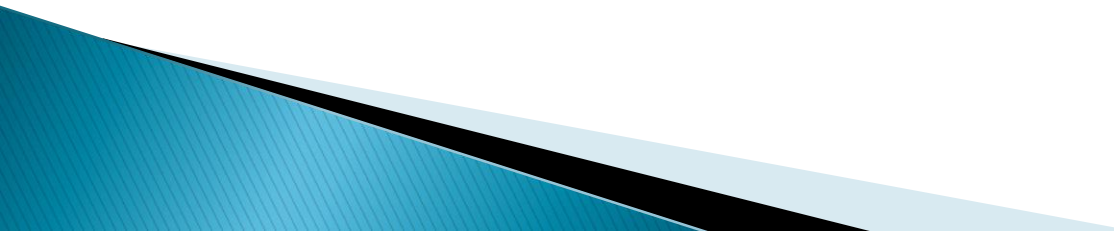
www.fafsa.gov



- ▶ Provides a preview of the questions that may be asked on the FAFSA
- ▶ Questions follow order of FAFSA on the Web
- ▶ 4–page booklet; contains 4 sections

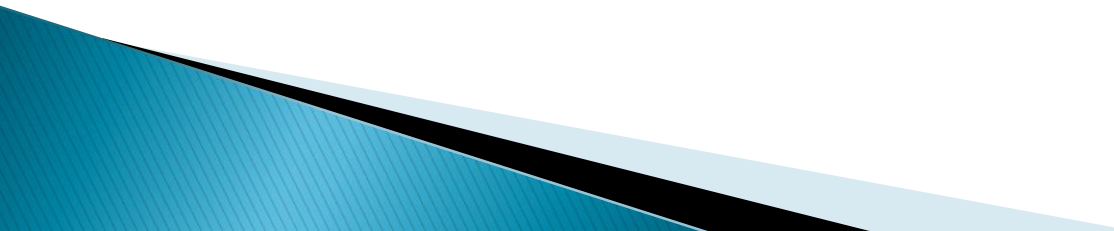
FOTW Worksheet – Section 1

General Student Information

- ▶ Name
 - ▶ Social Security Number
 - ▶ Citizenship
 - ▶ Marital Status
 - ▶ Selective Service Registration
 - ▶ Drug Conviction Status
 - ▶ Parent's Educational Background
- 

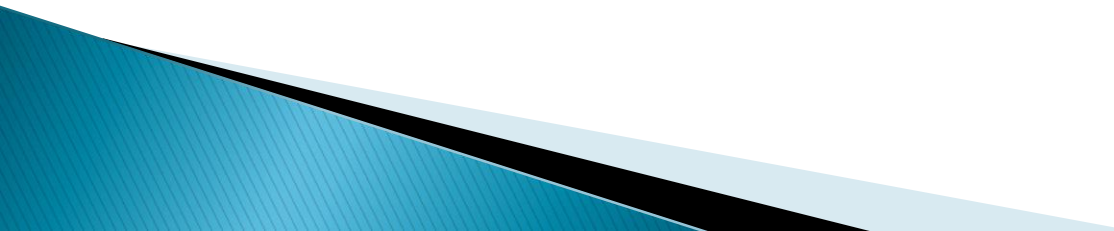
FOTW Worksheet – Section 2

Student Dependency Status – series of questions that determine if student will be classified as dependent or independent

- ▶ If all “NO” responses, student is dependent
 - ▶ If at least one “YES” response, student is independent
- 


FOTW Worksheet – Section 3

General information for parents of dependent students:

- ▶ Social Security Number
 - ▶ Name
 - ▶ Date of Birth
 - ▶ Dislocated Worker Status
- 


FOTW Worksheet – Section 3

Financial data for parents of dependent students:

- ▶ Tax filing status
 - ▶ Adjusted gross income for 2011
 - ▶ Income earned from work
 - ▶ Receipt of benefits from certain federal means-tested programs
 - ▶ Additional financial information
 - ▶ Untaxed income
 - ▶ Assets
- 

FOTW Worksheet – Section 4

Financial data for student (and spouse):

- ▶ Tax filing status
 - ▶ Adjusted gross income for 2011
 - ▶ Income earned from work
 - ▶ Dislocated worker status
 - ▶ Receipt of benefits from certain federal means–tested programs
 - ▶ Additional financial information
 - ▶ Untaxed income
 - ▶ Assets
- 

PIN Website – www.pin.ed.gov



START HERE
GO FURTHER
FEDERAL STUDENT AID

Federal Student Aid PIN

[PIN Home](#) | [Help](#) | [Contact Us](#) | [FAQs](#) | [About Us](#)

[English](#) | [Español](#)

- [Apply For A PIN](#)
- [Check PIN Status](#)
- [Request A Duplicate PIN](#)
- [Access My PIN E-mail](#)
- [Change My PIN](#)
- [Update My Personal Information](#)
- [Disable My PIN](#)
- [Reestablish My PIN](#)
- [Activate My PIN](#)

Helpful Links

[Student Aid on the Web](#)
Information you will need to receive aid for school. [Go »](#)

[Links to Federal Student Aid Electronic Services](#)

[FAFSA on the Web](#)

Welcome to the Federal Student Aid PIN Web site



This Web site is your source of information for the Federal Student Aid PIN.

Your PIN can be used each year to electronically apply for federal student aid and to access your Federal Student Aid records online. If you receive a PIN, you agree not to share it with anyone. Your PIN serves as your electronic signature and provides access to your personal records, so you should never give your PIN to anyone, including commercial services that offer to help you complete your FAFSA. Be sure to keep your PIN in a safe place.

Apply For A PIN

The PIN Application is for students and parents who want to apply for a Federal Student Aid PIN.

[APPLY NOW](#)

Site Last Updated: Sunday, September 20, 2009

[FOIA](#) | [Privacy](#) | [Security](#) | [Notices](#)

[WhiteHouse.gov](#) | [USA.gov](#) | [ED.gov](#)

FAFSA Website – www.fafsa.gov



START HERE
GO FURTHER
FEDERAL STUDENT AID™

FAFSA®
Free Application for Federal Student Aid



Home



About Us



Student Aid on the Web



PIN Site



Contact Us



Browse Help

SEARCH

English

Español



Get help paying for college


Submit a Free Application for Federal Student Aid (FAFSA)

[Start Here](#)

- Start or continue your FAFSA
- Correct your FAFSA
- Check the status of your FAFSA, and more...

FAFSA on the Web

Benefits to completing FAFSA electronically:

- ▶ Built-in edits to prevent errors
 - ▶ Skip logic in order to skip unnecessary questions
 - ▶ Detailed instructions and “Help and Hints” for common questions
 - ▶ Timely submission of application and necessary corrections
 - ▶ Option to use IRS Data Retrieval Tool beginning early February 2012
- 

Post-FAFSA Tasks

- ▶ Receive a Student Aid Report (SAR)
 - SAR contains EFC
- ▶ Review SAR and make corrections if needed
 - Use PIN to make corrections
 - Corrections to estimated income
 - Add/delete school codes
- ▶ **Follow-up with schools**
 - Verification process
 - Additional applications and documents may be required
 - Communicate special circumstances to institutions

Follow-up Steps/Resources

- ▶ Deadlines
- ▶ Use caution
- ▶ Where do I get help?



Deadlines are important!!!!!!

- ▶ Financial aid forms and applications are just like homework; you have to turn them in **correctly and on time**
- ▶ Keep track of all financial aid deadlines
 - State deadlines
 - College/university deadlines
 - Scholarship deadlines

Be Careful!!!



- ▶ Filling out the FAFSA is **free!!!**
- ▶ Avoid scholarship scams
- ▶ Don't pay for help to find money for college
- ▶ Check with the Better Business Bureau about financial aid advise services

Getting Help

- ▶ High school career center
- ▶ Prospective college/university financial aid office
- ▶ Department of Education
 - Federal Student Aid Information Center
1-800-4-FED-AID
 - Student Aid on the Web –
www.FederalStudentAid.ed.gov

College Goal Maryland

What:

- ▶ Receive free help to complete FAFSA

When:

- ▶ Sunday, February 12, 2012
- ▶ 2-4pm
- ▶ Snow Date: February 19, 2012
Same time & location

Where:

- ▶ Montgomery College
- ▶ Takoma Park/Silver Spring Campus
- ▶ Charlene R. Nunley Student Service Center

To register and for more information:

www.CollegeGoalSundayMD.org



Need Help or Have a Question?

Montgomery College

Office of Student Financial Aid

(240)567-5100

FinancialAid@montgomerycollege.edu

M – W, F 8:30 AM – 5:00 PM; TH 8:30 AM –
5:00 PM Evening hours until 7:00 PM on
specific campuses

Germantown – 20200 Observation Dr. SA140 Germantown, MD 20876

Rockville – 51 Mannakee St. SV124 Rockville, MD 20850

Takoma Park/Silver Spring – 7600 Takoma Ave. ST233 Takoma Park,
MD 20912

Questions & Answers

